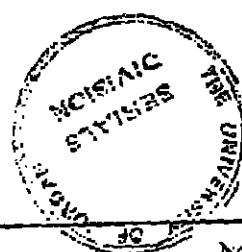


# Herald INTERNATIONAL Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Paris, Tuesday, January 25, 1994



No. 34,494

## As Algeria Militants Gain, Authority Retreats and Crumbles

By Chris Hedges  
New York Times Service

ALGERIA — The armed Islamic insurgency that has been fighting for two years is swiftly gaining ground against a military-backed government whose authority seems to be deteriorating daily.

Many of the army generals who rule Algeria, along with their supporters, have retreated to tightly guarded seaside compounds outside Algiers. To travel to and from offices and meetings, they often use helicopters.

Twenty-six foreigners have been shot and killed in the last four months, spurring an exodus of workers and diplomats. Police officers and troops withdraw at dusk from many villages and city slums where the militants enjoy wide support. The nightly curfew is punctuated with gunfire.

Hundreds, perhaps as many as 8,000 young men, have deserted from the army this year, diplomats say. Many have

taken their weapons with them to the mountainous interior where Islamic militants are forming a formidable army.

In response to the killing of Algerian officials and members of the security forces, paramilitary death squads have responded with fatal attacks on those suspected of being militants, say Western diplomats and human rights officials.

Foreign embassies, including the U.S. Embassy, have Algeria reportedly is now sponsoring paramilitary death squads to deal with suspected Muslim militants. Page 5.

reduced their staffs, warned their citizens to leave and relocated remaining diplomats to secure compounds. One Western embassy requires bulletproof vests for its diplomats, who like all foreigners working in Algeria have been threatened with death by the militants if a deadline of Nov. 30 for leaving is not met.

The French, once the junta's strongest backers, have begun to distance themselves from the faltering government.

"The biggest risk now is a convergence of the social and political problems," a European diplomat said. "If there is unrest on the streets because of the growing food shortages the troops may not want to shoot. At that point things would unravel. I could then see an alliance between junior officers and Islamic leaders that would lead to an Islamic state."

Algeria felt the power of Muslim militancy in 1991 when the Islamic Salvation Front defeated the governing party in the first round of voting in parliamentary elections. Rather than allow the Islamic party to form a government, the military removed President Chadli Bendjedid in January 1992 and canceled the elections.

The generals later named a five-man committee to rule the country. Although a national conference to choose a

new president is scheduled this month, it is seen as window-dressing for continued military rule.

The creation of an Islamic state in Algeria could force 500,000 Algerians to flee to France, European diplomats said.

Outlawed in 1992, Islamic groups in Algeria began an armed insurrection, ambushing police and government officials. In the last two years, the campaign has killed 2,000 people. But Islamic leaders say they have lost control of the insurrection as new groups, such as the Islamic Armed Movement and the Armed Islamic Group, have emerged to supplant the traditional leadership of the Islamic Front.

The only tactic that might salvage some form of the widely unpopular military-run government is a dialogue between the generals and the Islamic Salvation Front, say many critics of the government. But with the generals and the militants showing little willingness to compromise, the

See ALGERIA, Page 5

## U.S. Rebuffs French Plea For Action On Bosnia

Christopher Rules Out Use of Ground Troops To Impose Settlement

By William Drozdiak

PARIS — The United States on Monday rebuffed a French appeal to join with European states in taking bolder action to impose a peace settlement on the warring parties in Bosnia-Herzegovina.

Warning that the Balkan civil war was approaching a dangerous threshold, French leaders, in talks with Secretary of State Warren M. Christopher, urged the United States to exert new pressure on all parties to reach a diplomatic solution as soon as possible.

In the absence of an agreement, they said the United States should be ready to take more assertive military action in cooperation with the European allies to compel Bosnia's Serbs, Croats and Muslims to accept a lasting truce and the ethnic partition of their country.

But Mr. Christopher rejected the French plea and insisted that the United States would continue to remain aloof from Western Europe's gravest security crisis. He told his hosts that the United States would not back any effort to impose an accord and had no intention of expanding its involvement.

Speaking after talks with Foreign Minister Alain Juppé, Mr. Christopher said the United States would "live up to its obligations" to use air power under NATO resolutions that urge the Serbs to stop the strangulation of Sarajevo, to allow Tuzla airport to be opened for humanitarian aid deliveries and to permit the rotation of United Nations troops trapped in the Muslim enclave of Srebrenica.

But he added, "As far as the situation overall, I have to emphasize again that the United States is not prepared to put ground troops into Bosnia in order to resolve or impose a solution to the conflict there."

Mr. Christopher's message was repeated in meetings with Prime Minister Edouard Balladur and President François Mitterrand, leaving the French government deeply disappointed. [The president's office said Mr. Mitterrand had told Mr. Christopher that France would soon put forward new proposals regarding the war in Bosnia. Reuters reported. A spokesman for the office, Jean Musitelli, said the ideas would be put on the table "very soon," probably this week.]

Senior French officials said Mr. Juppé explained to Mr. Christopher that France believes a catastrophic scenario is unfolding in Bosnia. The French foreign minister added that conditions for UN troops delivering humanitarian aid on the ground, including 6,000 French soldiers, were becoming unbearable. By the end of winter, all 26,000 UN troops may have to terminate their mission and withdraw.

With mostly Muslim forces loyal to Bosnia's government gaining military strength and recapturing territory, France fears that the Serbs and Croats may soon activate their alliance and seek to crush the Muslims.

A French official who participated in the talks said: "At that point, the Muslims will ask the Americans to rescue them, and the United States will have to react to a truly genocidal situation. That's why it is important for Washington to take a more active role now, before it goes that far."

Mr. Christopher argued that the Serbs were the principal culprits in the war and that any military effort by the Muslims to regain territory was fully justified.

He told reporters that the United States still favored lifting the ban on weapons deliveries because, he said, "We think the arms embargo has worked adversely with respect to the Muslims, in an unfair way."

The French, in turn, contend that lifting the arms embargo will only escalate the fighting and possibly expand the conflict to Kosovo and Macedonia.

## Clinton Picks Aspin's No. 2 As New Pentagon Nominee

By Paul F. Horvitz  
International Herald Tribune

WASHINGTON — President Bill Clinton on Monday selected the No. 2 official at the Pentagon, William J. Perry, as his latest nominee for secretary of defense.

Mr. Perry, currently the deputy secretary of defense, has maintained close ties with the California weapons industry and high-techology laboratories and is considered one of the fathers of the radar-evading "Stealth" aircraft technology.

The 66-year-old former engineering and mathematics professor is reportedly well-liked at the Pentagon and by key members of Congress but has so far maintained a low public profile.

Though he passed Senate muster for the deputy's job, Mr. Perry would be required to undergo a second confirmation hearing.

In announcing the nomination, Mr. Clinton said Mr. Perry had "demonstrated leadership, integrity and mastery in his field." He praised his nominee as having "the right skills in management" and "the right vision for the job."

Mr. Perry said he would continue to press for a reformed Pentagon system of buying new weapons and equipment "at affordable prices" and promised to continue the policy directions set out by his predecessor.

Despite reports to the contrary, Mr. Perry said he "did not have to be persuaded to take this job."

Among those praising the nomination was

Senator John Glenn, an Ohio Democrat and a member of the Senate Armed Services Committee, which will hold confirmation hearings. He declared Mr. Perry "confirmable."

If approved by the Senate, Mr. Perry would anchor an important foreign policy position that the White House has had considerable trouble filling.

Mr. Clinton's first defense secretary was Les Aspin, who resigned last month after a rocky first year in which he was viewed by the White House as too indecisive.

Bobby Ray Inman, a retired admiral and former top intelligence official named to succeed Mr. Aspin, threw up his hands on the eve of his Senate confirmation hearings this month and withdrew with a broadside against critical newspaper columnists.

Mr. Perry's name arose quickly after the shock of Mr. Inman's withdrawal. But two other potential nominees — Senator Sam Nunn, the Georgia Democrat, and former Senator Warren Rudman, a New Hampshire Republican — reportedly rejected White House feelers.

"I think Sam Nunn always knew that if he was interested in that job, that was open to him," Mr. Clinton said earlier Monday. But the president denied that anyone else but Mr. Perry had been offered the job.

Mr. Perry accepted it only reluctantly, and Vice President Al Gore played an important role in persuading him to accept. The New York Times reported.



President Bill Clinton arriving for a news conference Monday with William Perry, whom he nominated to be secretary of defense.

## A Too-Ambitious Agenda Undid Hosokawa Reforms

By James Sternberg  
New York Times Service

TOKYO — The defeat of Japanese electoral reforms has not just crushed the ambitions of Prime Minister Morihiro Hosokawa and his awkward coalition, but it also has blocked the political revolution that he helped set loose.

It remains unlikely, though, that the forces pushing for change will be turned back entirely. Young, unafraid of the old political taboos, and a gifted salesman with a seductively understated manner, Mr. Hosokawa charmed the

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public from the moment he took office last summer with the idea that he would bring major changes to outmoded political and economic structures, and that the changes would be relatively painless.

Within his first few weeks as prime minister, he issued the apology for Japan's World War II aggression that none of his predecessors were able to utter, vilified the corruption and collusion that characterized the previous 38 years of Liberal Democratic Party rule, and vowed to make consumers, rather than corporate Japan, the beneficiaries of government policy.

Mr. Hosokawa made it seem so easy to talk down the old order, and he was so encouraged by his soaring approval ratings — and popularity with the Clinton administration — that he continued to add to the list, with few questioning whether all of the goals were attainable, or even if they were compatible.

In effect, Mr. Hosokawa transformed the breakup of the Liberal Democrats last summer, popular disillusionment over political corruption, and impatience with stony living standards into not one but a series of revolutions.

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Hosokawa threatens a new election if the opposition balks on a compromise. Page 4.

## Tokyo Market Doesn't Scare Foreign Cash

By Steven Brill  
International Herald Tribune

TOKYO — Prices on the Tokyo stock market, ravaged on Monday by the steepest one-day fall in two-and-a-half years, will probably drop even further until the fate of the government's policy to stimulate the economy becomes clear, market analysts said.

Yet, foreigners, whose buying has made Tokyo the best-performing major market this year, have so far been unfazed. Inspired by Japan's long-term prospects, they are likely to keep buying the market, despite the growing expectation that the major cut in income taxes that is seen as key to economic recovery will be postponed, analysts said.

Indeed, whether Monday's 5 percent sell-off signals just an ordinary correction, or spirals into a deeper descent that could damage Japan's financial system and undermine long-term economic prospects, could depend on the attitude of overseas investors.

"Technically, the market still has a lot to give up," one foreign fund manager said. "But foreign investors couldn't care less. They're not thinking of taking profits for months."

In its first response to Friday's defeat of Prime Minister Morihiro Hosokawa's

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## Starving Siberians Get the Old Apparatchik Runaround

By Fred Hiatt  
Washington Post Service

MOSCOW — While Boris G. Fyodorov, the reformist finance minister, was preparing for the news conference where he would resign, a lonely applicant waited forlornly in his office.

The desperate woman of Baykit, a Siberian settlement 2,000 miles (3,200 kilometers) east of the capital, had sent Tatiana Kuzmina, 35, to plead their case. Their town was suffering from temperatures at 75 degrees below zero Fahrenheit (minus 60 centigrade) — their apartments were so cold that spilled liquids immediately turned to ice on floors. More important, no one in

the oil-drilling enterprise that is Baykit's sole support had been paid since July. Children were fainting from hunger, said Mrs. Kuzmina, the mother of two.

So all week, Mrs. Kuzmina, a computer programmer, had The resignation of the reformer Boris G. Fyodorov as finance minister was rejected by Russia's prime minister. Page 2.

traveled from one bureaucrat's anteroom to another, seeking the rubles that, no one disputed, the government owes her and her town. She said she encountered little but high-handed

arbitrariness, a government attitude that has persisted here since czarist days.

Over the weekend, Mrs. Kuzmina flew home empty-handed to a daughter, 6, who cannot shake her whooping cough. And it was perhaps fitting that she did so as the last of the young reformist idealists were dropping out of President Boris N. Yeltsin's government, returning it to old-style apparatchiks.

For the same bureaucracy that stymied Mrs. Kuzmina last week had defeated, swallowed or corrupted the reformers during the past two years. And, when she examines the sham-

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Dow Jones	Trib Index
Down 1.69	Down 1.19%
3,912.79	113.69

The Dollar	Mon. close	previous close
New York	1.7511	1.7542
DM	1.4945	1.4927
Pound	1.1165	1.1160
Yen	5.9425	5.9655

Newsstand Prices	
Andorra	9.00 FF
Antilles	11.20 FF
Armenia	1.400 CFA
Cambodia	1.400 CFA
Egypt	9.00 FF
France	9.00 FF
Gabon	9.00 CFA
Greece	300 DR
Ivory Coast	1.120 CFA
Jordan	1.120 CFA
Lebanon	1.120 CFA
Luxembourg	60 L
Morocco	12 DH
Qatar	8.00 Rial
Reunion	11.20 FF
Saudi Arabia	9.00 R
Senegal	9.00 CFA
Spain	200 PTAS
Tunisia	1,000 Din
Turkey	1,000 L
U.A.E.	2.50 Dirh
U.S. & A.M.	\$1.10

## The Fat of the Land Is Eluding the Obese

By Kara Swisher  
Washington Post Service

WASHINGTON — Everybody knows that tall men do better than short men, that homely people suffer prejudice while life's lovelies prevail. And if you are very fat, you can pretty much forget about climbing the corporate ladder to the top.

While multitudes of laws against sex and race discrimination have been passed, and claims based on those laws have flooded American courtrooms and resulted in multimillion-dollar judgments, fights against workplace discrimination based on appearance have not had the same success.

But bolstered by another federal law — the Americans With Disabilities Act, passed in 1990 — and several recent studies confirming economic disadvantages suffered because of appearance, the issue of looks is taking its place in workplace discrimination cases.

With a couple of important cases dealing with fat people now working their way through courts, and a push in a few states to include looks protections in civil rights laws, many expect such claims to become more common.

"This is a really live issue," said Peggy Mastroianni, head of the division charged with enforcing the Americans With Disabilities Act for the Equal Employment Opportunity Commission, the federal agency

that handles allegations of employment discrimination in the workplace. "The more people understand the new law and also find other avenues for relief, the more cases I think we are going to see."

Last year, the commission strongly backed a 329-pound (148-kilogram) hospital attendant in Rhode Island in her victorious and precedent-setting case where a federal appeals court upheld the right of some obese people to sue under laws that protect the disabled.

While many see that victory — which could null be appealed — as a positive sign, the battle to make the workplace "looks-blind" remains a tough fight.

Despite advances in the law, civil rights attorneys said it was hard to find clients who were willing to endure the pressures of a major court battle or who have strong enough cases on the basis of looks discrimination alone to guarantee that they would prevail.

"It's clear that it's unfair for people to be discriminated against because of how they look," said Laura Einstein, a civil rights attorney in Washington. "But," she added, "it's more unlikely that someone is going to say they were wronged because they are ugly."

Discrimination because of appearance is not explicitly prohibited under federal law, and only a few state and local laws have "personal

See FAT, Page 5

### Kiosk

## Arafat Seeks to Mend Ties With Fahd

RIYADH (AFP) — The Palestine Liberation Organization leader, Yasser Arafat, met King Fahd here Monday for the first time since infuriating the Saudi monarch by supporting Iraq after the invasion of Kuwait. A Palestinian diplomat described the encounter, which included discussion on the PLO's talks with Israel, as "very friendly" and said the king "expressed his support and that of his government and the Saudi kingdom for the Palestinian cause and people."

Saudi Arabia was the principal financial backer of the PLO before cutting off \$85.5 million in annual subsidies because of Mr. Arafat's backing of Saddam Hussein in the Gulf War.

Boeing's sales fell last year, and it expects more of the same. Page 9. SAS said it does not need an alliance to prosper. Page 9.

Book Review Chess Page 8. Crossword Weather Page 18. Page 18.



## Under Assad's Gaze, His Enemies' Enemies Wait

By William E. Schmidt  
New York Times Service

DAMASCUS — For all the talk of peace with Israel and a new and more open relationship with the West, this ancient capital remains a city of shadows and secrets, not only for Palestinian guerrilla organizations but also for both exiled Arab leaders and rebellious Kurds. They work from offices on the side streets of Damascus, where silent men keep constant watch.

The Syrian capital is home to 10 hard-line Palestinian groups, most of them driven from Beirut about a decade ago, as well as to Kurdish nationalists and Baghdad intellectuals who oppose the Iraqi president, Saddam Hussein, and Shiite Muslims who are foes of the Saudi government.

For the last seven years, the capital has also provided refuge for Ali Nasser Mohammed Hassani, the former president of South Yemen,

who fled to Damascus after he was deposed by hard-line Marxists in 1986, and who now often holds court at a restaurant in the city's fashionable Shaalan neighborhood.

To some in the West, tolerance by Damascus for guerrilla groups and political plotters with whom it is sympathetic is evidence that Syria is still supporting organizations that export violence.

It is this relationship that persuades Washington to keep Syria on its list of nations considered participants in state-sponsored terrorism and to enforce economic sanctions against the country.

But while those ties loom as a major obstacle to improved relations with Washington, diplomats in Damascus say President Hafez Assad is only doing what any shrewd Middle Eastern politician would do, given the constantly shifting Arab politics: offering ref-

uge to the enemies of his enemies, if only because it allows him to keep a closer eye on them.

Syria's internal security forces closely monitor the activities of the array of resistance groups and guerrillas based in the country, from the Popular Union of Kurdistan to the Popular Front for the Liberation of Palestine.

"In recent months, the Syrians have effectively restrained these groups," a European diplomat said, adding that Syria was restricting their activities to distributing information, including radio broadcasts, and organizing political discussions. They are not allowed to undertake any military activity on Syrian soil.

"But just by having them here, it also gives President Assad a strong card," the diplomat continued. "It gives him the ability to undermine anything he doesn't like."

Syria's future relationships with

some of these groups, however, may be on the line as Washington presses Damascus to cut its ties with the hard-liners, especially groups like the Islamic Party of God or the radical Popular Front for the Liberation of Palestine. General Command. Both of them are continuing to carry out military operations against Israel in southern Lebanon and the occupied territories.

At the offices of the Democratic Front for the Liberation of Palestine, a basement warren of small rooms alongside a hairdresser's salon, Daoud Talhamy, the group's urban spokesman, said it was wrong for the West to blame Syria because there are Palestinian groups at war with Israel.

"The Palestinian opposition in Damascus, and other places, is part of the political map of the Palestinian people," Mr. Talhamy said. "To force Syria to close us down

will have no effect on the struggle, because the real opposition comes from inside the territories themselves, not from an office in Damascus."

Rather than foment intrigues and plot the overthrow of their home governments, some of the Arab political exiles taking refuge in Damascus have recently engaged in what Syrian officials describe as constructive activities.

Sheikh Hassan Sagar, the exiled leader of Saudi Arabian Shiites opposed to the Riyadh government, has used his Damascus base to seek accommodation with the government of Prince Fahd.

In November, Mr. Hassani, the former leader of Southern Yemen, became involved, at the request of officials in Aden, in efforts to mediate growing political tension and violence in his former country, which unified with Yemen, its northern neighbor, in 1990.

## Talks Adjourn For Study of Gaza Security

REUTERS

TABA, Egypt — Israeli and Palestinian negotiators met for three hours Monday but adjourned for the week to wait for their leaders to agree on security aspects of Palestinian self-rule.

The meeting dealt with allocating radio and television frequencies to an autonomous Palestinian authority for the Gaza Strip and the West Bank town of Jericho.

The talks in this Red Sea resort have been overshadowed by high-level contacts in Oslo, Cairo, Jerusalem and, next Sunday, in Switzerland.

## WORLD BRIEFS

### U.S. Plays Down China Rights Moves

PARIS (Reuters) — China took new steps Monday to address U.S. human rights concerns, but Secretary of State Warren M. Christopher said it was not yet enough to warrant renewal of U.S. preferential trade status.

Mr. Christopher, after talks with Foreign Minister Qian Qichen, called the discussions "positive and constructive" and announced plans for more high-level contacts, including a possible trip to Beijing by the secretary himself.

While Mr. Qian agreed to discuss 235 specific rights cases raised by the Americans, Mr. Christopher said there was no progress on President Bill Clinton's demand for release of anti-government demonstrators jailed after the 1989 Tiananmen Square crackdown. Washington has threatened to withdraw most-favored-nation trade status unless its concerns on human rights are satisfied.

### Iran Accused in Slaying of Bakhtiar

PARIS (AFP) — A prosecutor's report says that Tehran's intelligence service was directly involved in the August 1991 assassination of a former Iranian prime minister, Shapur Bakhtiar, a source familiar with the document said Monday.

The report, submitted to the judge handling the investigation, said the Iranian service had provided logistical assistance to those who carried out the killing of Mr. Bakhtiar and his secretary in a Paris suburb.

The Iranian Embassy here immediately denied the charge, saying that Tehran condemned "all terrorist action." Four people have been charged in the killings, and three are in custody.

### Italy Arrests Industrialist for Fraud

ROME (Reuters) — Gaetano Mancini, former chairman of Italy's failed state holding company EFIM, was arrested Monday on suspicion of fraud and false accounting, the police said.

Mr. Mancini, 70, chairman until the group went into liquidation in August 1992, was held as part of an investigation into alleged corruption at EFIM's Aluminex SpA aluminum subsidiary, the police said. The former Aluminex chairman, Corrado Innocenti, was being sought on suspicion of committing the same offenses.

EFIM, which was Italy's third-largest state holding company, controlled more than 140 companies ranging from aerospace companies to car windshield makers when it was put into liquidation with \$17.5 billion of debts.

### Former Greek Bank Leader Killed

ATHENS (Reuters) — The former chairman of Greece's largest commercial bank died 12 hours after being shot four times at close range by a leftist guerrilla group.

In a statement sent to the private SKAI television station, the group, known as November 17, said it shot Mihalis Vranopoulos for "high treason" tied to the purchase of the state-owned Hercules General Cement Company in 1992.

Mr. Vranopoulos, 48, was the chairman of the state-run National Bank of Greece when it teamed up with Italy's Calcestruzzi and bought 70 percent of Hercules for \$225 million. November 17 said kick-backs amounting to \$12 million had been paid during the sale of Hercules by Greece's then-ruling conservative government.

### Chirac Moves to Grasp Nomination

PARIS (Reuters) — Jacques Chirac, the Gaullist mayor of Paris and a former prime minister, was reported Monday to be moving to sew up his party's nomination for the 1995 French presidential election before the tide turns in favor of Prime Minister Edouard Balladur.

The newspaper Liberation said Mr. Chirac, 61, trailing far behind Mr. Balladur, 64, in opinion polls, had decided to bring forward the Rally for the Republic's congress to June from September to proclaim his own candidacy.

A senior party official cast doubt on the report, saying it could be part of a whispering campaign by opponents to portray Mr. Chirac as a desperate man in a hurry. But the official acknowledged that the wording of Mr. Chirac's announcement that he would not lead the conservative campaign for the European Parliament elections in June had made clear that Mr. Chirac was concentrating on the presidential campaign.

### Deadlock on North Korea Lingers

VIENNA (Reuters) — North Korean diplomats held inconclusive talks with the International Atomic Energy Agency on Monday on the deadlock over Pyongyang's refusal to allow full inspection of its suspected nuclear sites.

"There's not much we can report from today," said an agency spokesman, David Kyd. "They will be back tomorrow, we hope with more substantive instructions from Pyongyang." The United States believes North Korea is secretly building nuclear bombs and may already have produced a few crude devices.

### Correction

Because of an editing error, an article from Paris in Monday's edition on the evaluation of the CFA franc in Africa misidentified the region in which CFA stands for Coopération Financière en Afrique. The region is Central Africa.

## TRAVEL UPDATE

### Strike Threatens Spanish Transport

MADRID (Reuters) — Unions and government transport officials failed Monday to agree on what minimum services would operate during a general strike called for Thursday to protest the government's proposed labor policy.

Unions are seeking a cut of 75 percent to 80 percent in bus and subway services in Madrid and Barcelona, rejecting the government proposed 60 percent reductions. The unions hope to close schools, stores, factories, media and government offices in a protest over government plans to restrict wage growth as a way to bolster employment.

The two sides did reach agreement on minimum services for sea and road transport, national flights and for ports and airports. The Transport Ministry said international flights would operate at 12 percent of normal levels.

The U.S. Supreme Court declined to rein in the fees airports charge to airlines for using runways, passenger terminals and other services. By a 7-1 vote, the court ruled Monday that a federal law requiring such fees to be "reasonable" gave airports the discretion to decide how much to charge. Only new regulations imposed by the federal government can limit that discretion, the court said.

Hungary will auction hundreds of castles, mansions and hunting lodges for as little as \$50,000 as it privatizes unproductive state property, an official said Monday. Up to 250 properties will go on sale in the spring after the State Property Agency finishes evaluations.

Israel is ready to open its sea and airports to Jordan and allow the Arab nation to use its air space for flights to Europe, the transport minister said Monday. The offer is conditioned on Israel receiving the same rights, Transport Minister Yisrael Kassar's office said.

Air France has unveiled a new interior design by Andre Putnam for the superjumbo Concorde, aimed at keeping passengers relaxed as they streak over the Atlantic at 2,200 kph (1,360 mph). The decoration will cost \$5 million francs (\$930,000) for five of the airline's seven Concorde.

About 40 percent of robbery reports filed by foreign tourists in Rio de Janeiro may be false, mostly filed to collect insurance money when the tourists return home, according to police officials. They said most of the false reports are for cash and cameras and video equipment.

## Russia Seeks to Keep Reformer in Cabinet Resignation Is Rejected

By Steven Erlanger  
New York Times Service

MOSCOW — The search for a finance minister took on absurd proportions Monday, as Prime Minister Viktor S. Chernomyrdin met the recombination reformer, Boris G. Fyodorov, and said that his resignation was still not accepted.

Mr. Chernomyrdin was said to be surprised and upset by the negative reaction in the West to a new Russian government without its best-known market reformers, Yegor T. Gaidar and Mr. Fyodorov, who fought to restrain excess spending, credits and inflation.

Mr. Chernomyrdin was said to have appealed urgently to the International Monetary Fund not to postpone a scheduled high-level visit to Moscow this week to discuss new loans, and the IMF has agreed to come despite the lack of a finance minister, senior Western diplomats said.

They said the IMF decision was apparently made in order to keep good relations with the new government. But some criticized the move, saying it would engage the IMF in domestic Russian politics and might undermine the agency's perceived commitment to lower inflation and budget deficits as necessary conditions for further loans to Russia.

Mr. Fyodorov, who has twice refused to remain as finance minister under current conditions, did not meet President Boris N. Yeltsin on Monday, as had been expected. In his conversations with Mr. Chernomyrdin, Mr. Fyodorov was said to be seeking an enhanced rank of first deputy prime minister, with full financial responsibility over government policy, and the dismissal of the central bank chairman, Viktor V. Geraschenko.

Mr. Fyodorov was said to feel that his bargaining position had been improved by his refusal to join the government last week, which had surprised Mr. Chernomyrdin. He wants to ensure that if he lends his credibility with Western governments and institutions to the new government, he has the power to do his job.

Mr. Yeltsin, who met Monday with the last well-known reformer in the cabinet, Privatization Minister Anatoli B. Chubais, is said to be reluctant to dismiss Mr. Geraschenko, in part because he does not want a confirmation fight in the new Duma, which is dominated by a loose coalition of ultranationalists and Communists. Mr. Chernomyrdin, officials said, is more willing to sacrifice Mr. Geraschenko, although he may be betting on Mr. Yeltsin's reluctance to do so.

Mr. Yeltsin was said by officials to be slightly depressed and even apathetic in recent days. He has developed a pattern of periods of intense activity around crises and big events, like summit meetings, followed by periods of lassitude.

Mr. Chernomyrdin, before flying to Oslo, in central Russia, met Mr. Yeltsin for 30 minutes and later said that "the new government has only just started work and people are already burying it."

He said he had no differences with Mr. Yeltsin, that his government would continue tough credit and financial policies and that "the cabinet does not intend to grant credits easily."

But he also said the government would pay its obligations to farmers and others, which Mr. Fyodorov had resisted as inflationary, and talked again of using "non-monetary methods" of fighting inflation, like negotiated wage and price controls.

According to Western diplomats and bankers, the previous government delayed paying obligations in amounts of up to 6 billion rubles (\$4 billion) last year. That is nearly 10 percent of gross domestic product and would be highly inflationary if paid in full.

Alexander K. Zaverukha, the deputy prime minister for agriculture, said during the weekend that the cabinet planned to spend 14 trillion rubles on agricultural subsidies in 1994, which is said to be a rise of at least 7 percent over 1993.

"This is fully within the scope of our state budget," he said. The draft 1994 budget was not released Monday as scheduled.

Citing inflation and the budget deficit, the new economics minister, Alexander Shokhin, said Monday that Russia would not soon be able to meet IMF conditions for a second loan of \$1.5 billion.

In Paris, a spokesman for Secretary of State Warren M. Christopher said he had agreed with the French foreign minister, Alain Juppé, about the need to continue financial support to Russia.

"Aid to Russia is going ahead," said the spokesman, Richard Duke. "I heard no one call it into question."

It seemed another example of the State Department in some conflict with the Treasury Department, whose officials have said that Russia's chance of getting new IMF aid was practically nil.

The newspaper, for decades the mouthpiece of the Soviet Communist Party, angrily accused its Greek partners of seeking a take-



SOMALI BANTUS STRIKE BACK — Somali Bantus chasing an ethnic Somali who tried to disrupt a Bantu meeting Monday with a grenade in a village near Mogadishu. Somalis are trying to dispossess the minority Bantus from their agricultural land.

## Bonn Rethinking Its EU Contribution

REUTERS

BONN — Finance Minister Theo Waigel called Monday for a review of Germany's contribution to European Union coffers, and opposition Social Democrats said the generous rebate to Britain should be scrapped.

Bonn has long been Europe's main financial source, contributing about 28 percent of total EU funds, but mounting budget difficulties since German reunification in 1990 have caused the central bank, the Bundesbank, and others to call for cuts.

With opinion polls showing German enthusiasm for the European Union on the wane while

social services are being cut and taxes increased at home, EU contributions could become a major issue in an election year.

Germany also feels aggrieved because it has provided the lion's share of Western aid to Eastern Europe and to the former Soviet Union, more than all its EU partners put together.

A spokesman acknowledged that any changes in the formula, under which Germany makes the largest net payments into EU coffers while Britain gets a two-thirds rebate, would require the consent of all 12 member countries.

The Bundesbank said Germany's net payout

to EU budgets had risen from 10.5 billion Deutsche marks (\$6 billion) in 1987 to 22 billion DM in 1992 and would rise to 30 billion DM by 1997.

Britain's success in obtaining and holding onto a rebate of 66 percent of the excess of its contributions to the EU over its receipts increasingly rankles in Germany.

"The rebate of around 6 billion DM a year granted to Britain in 1985 is no longer justified," said Ingrid Matthäus-Möller, deputy leader in parliament of Germany's Social Democratic Party, which hopes to take power in national elections in October.

## U.S. Expert on Russia Reassures Senators

By John M. Goshko  
Washington Post Service

WASHINGTON — President Bill Clinton's senior expert on Russia, Strobe Talbott, sought on Monday to assure anxious senators that President Boris N. Yeltsin had not abandoned reform, and he denied that the administration's support of Mr. Yeltsin had caused it to ignore other democratic forces in Russia.

"We have said from the very beginning that we are supporting not a political leader but a process," said Mr. Talbott, the U.S. special ambassador for Russia and deputy secretary of state-designate.

Testifying before the Senate Appropriations subcommittee on foreign operations, he acknowledged that the cause of Russian reform had been buffeted in recent months by the clash between Soviet-era members of parliament and the Yeltsin government, the election of large numbers of rightist ultranationalists to the new parliament and the departure last week of the

most prominent reformers from Mr. Yeltsin's government.

"Some in the West are concerned that what has sometimes been called the second Russian revolution has failed, that counterrevolution has set in, and that Russian reform is a lost cause," he said.

"That is not our view," Mr. Talbott said. "The forces of reform are down but not out."

He said the administration believed that these developments had underscored its view that "a titanic struggle is under way in Russia over the future of that country," that the United States had "a huge stake in the outcome" and that it must be prepared to continue its moral and financial support of democratization and reform "for years, indeed decades, in some cases for a generation or more."

During 1993, Mr. Talbott contended, applying those concepts to "the real world" meant supporting Mr. Yeltsin. He also rejected charges by some senators that such Yeltsin actions as ordering troops

to fire on the parliament and then disbanding parliament and the constitutional court were signs of an authoritarian rather than a democratic approach.

He said that U.S. backing for Mr. Yeltsin "has by no means been automatic or reflexive."

"At each critical moment," he said, "we asked ourselves whether he was taking a step toward or away from democracy. Our judgment, which we feel has been vindicated, was that he acted for democracy."

But he stressed repeatedly that the administration would watch the Yeltsin government's actions carefully. And, he added, the United States has been especially firm in urging Mr. Yeltsin to stand firm against inflation despite calls for easing the pain that economic austerity has caused. To slow the pace of reform and continue to prop up inefficient Communist-era industries only would prolong the suffering, Mr. Talbott said.

His remarks seemed directed at Prime Minister Viktor S. Chernomyrdin's recent remarks that his government intends to abandon what he called "market romanticism" and boost production in old-style heavy industries established in the Communist era.

He said that at the summit meeting in Moscow two weeks ago, Mr. Yeltsin "vowed that he would keep reform going full-speed ahead," and Mr. Clinton promised to use U.S. influence with the West's major industrial nations and international lending institutions to intensify financial support for Russian reform.

"President Yeltsin needs to have confidence that if he continues to press forward on a strong economic reform program, Western support will be swift and substantial," Mr. Talbott said.

But he and his colleagues must understand the cause-and-effect relationship between internal reform and outside support. Our support will follow their reform. It cannot be the other way around."

### Ariane Failure Strands Satellites

REUTERS

KOUROU, French Guiana — Europe's 634 Ariane rocket, which was carrying two French-made satellites, failed to reach orbit after being launched Monday, space officials said.

"The third stage stopped working in flight," Charles Bigot, president of Arianeespace, said. The failure was the first after 27 straight launching successes.

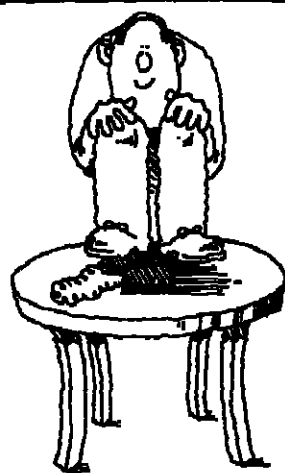
### Oslo Picks Foreign Minister

REUTERS

OSLO — Bjørn Tore Godal, 49, formerly trade and shipping minister, was appointed foreign minister on Monday to succeed the late Middle East peace broker, Johan Jørgen Holst, who died Jan. 13.

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## Hosokawa Weighs New Reform Vote

### Lower House Could Override The Opposition's Roadblock

Compiled by Our Staff From Dispatches

TOKYO — Prime Minister Morihiro Hosokawa and his governing coalition, struggling to salvage their political reform bills, threatened Monday to call a new vote in Japan's parliament if the opposition balked at compromise.

Mr. Hosokawa, whose promises to clean up corrupt politics swept him to power last summer, suffered a humiliating defeat Friday when lawmakers from the Social Democratic Party — the biggest but most unstable member of the coalition — voted against the bill at the final parliamentary stage.

The crisis, if not resolved, could force Mr. Hosokawa to resign or call elections to win a new mandate.

Coalition leaders and their counterparts in the Liberal Democratic Party looked likely to agree on Tuesday to form a joint upper House of Councillors committee that could break the parliamentary deadlock and save a reform process five years in the making.

"It looks like we may agree to set up the joint panel but there's no guarantee we'll be able to reach a compromise pact with the LDP," a coalition legislator said.

If that option fails, Mr. Hosokawa's team was planning to gamble on a fresh vote in the lower House of Representatives, lawmakers said. The lower House passed the reform package Nov. 18 and if it passes the package again with a two-thirds majority, it would become law.

Mr. Hosokawa told a meeting of coalition leaders Monday that he wanted to try the override vote if a compromise could not be reached, said a top coalition strategist, Ichiro Ozawa.

The coalition, which has 259 seats in the 511-seat lower house, would need the support of about 70 reform-minded Liberal Democrats to win such a vote — something Japanese analysts said they believed was next to impossible.

But Foreign Minister Tsutomu Hata, leader of an influential coalition party, said he believed the government's bills had a good chance of winning the necessary two-thirds approval of the lower House if Liberal Democratic pro-reformers threw in their support.

"We have no doubt that the bills would be approved by the lower House if there's cross-voting," he said at a symposium.

Although no public opinion polls have been published, media interviews with voters showed many were disgusted with both the Liberal Democrats and the Socialists anti-reformers.

"The Socialists should be expelled from the coalition," a company employee said in a television interview.

"I can't believe that political reform has been held up after all the corruption scandals," a housewife said. "The LDP should be ashamed of itself."

Political analysts predicted difficult times ahead for Mr. Hosokawa and his team of conservatives, centrists and the hard-line Socialists, who have stirred up trouble on a number of issues since the government took office in August.

The Liberal Democratic Party hardly seems likely to agree to even a compromise political reform pact. It was the conservative party that, during its 1955-93 monopoly on power, perfected the system of money politics that spawned all the recent scandals. (Reuters, AP)



SEOUL FINANCIAL SCANDAL — Chang Yong Ja, a relative by marriage of former President Chun Doo Hwan of South Korea, being arrested in Seoul on Monday on charges of fraud and defrauding on checks worth \$14 million. She had been released on parole in 1992 while serving a 15-year sentence on a 1982 conviction for a loan scandal involving about \$740 million.

## Mystery Snooze: Big Ben Quiet for 3 Hours

LONDON — Big Ben, Britain's most famous clock by which much of the nation keeps time, mysteriously stopped for three hours, officials said.

The clockmakers Thwaites & Reed got the clock going again at 9:30 P.M. Sunday, three hours and 10 minutes after it stopped.

Big Ben's chiming are regularly heard around the world by listeners to BBC radio.

## Foreign Reporters Snub China

### Mao Film Screened at Hong Kong Press Club

By Kevin Murphy

HONG KONG — At a time of growing concern about media self-censorship in Hong Kong, the local Foreign Correspondents' Club screened a film about Mao's life on Monday, resisting what member journalists described as China's first attempt to censor club activities.

The BBC documentary, "Chairman Mao: The Last Emperor," featuring a critical assessment of the leader's rule and which briefly touches on his sexual appetite for young girls, has drawn strong diplomatic protests from Beijing in recent weeks.

The film was first aired in Britain in December, coinciding with the 100th anniversary of the Communist leader's birth.

London has largely ignored Chinese displeasure with the production. But in Hong Kong, which reverts to Chinese sovereignty in 1997, the film's reception has served to heighten fears about Beijing's future tolerance for criticism and free speech.

A local television company, Television Broadcasts Ltd., has purchased rights to air the documentary on its English and Chinese language channels.

But the company, which hopes to expand its commercial activities across the border into Chinese markets, has yet to announce any plans to do so. This spurred the correspondents club to arrange a private screening for its members.

That decision attracted first-time visits from two officials from the Xinhua press agency, Beijing's de facto embassy in the colony, and inspectors from the Hong Kong government's Television and Entertainment Licensing Authority, which can censor films it judges offensive to neighboring countries.

A Xinhua representative said the documentary "hurt the feelings of the Chinese people" and asked the club not to show it.

Hong Kong government officials told the club's board that it should apply for permission, the first time in its long history that the club has been requested to do so.

The club ignored both overtures, but the specter of Xinhua interference revived worries, especially among Hong Kong Chinese journalists, that the rarely invoked colonial laws pertaining to search and seizure, emergency powers, immigration, treason, sedition and subversion could someday be used to stifle the city's thriving press.

## Patten Calls On China To Break the Deadlock

Reuters

LONDON — The Hong Kong governor, Chris Patten, urged China on Monday to resume deadlocked talks on the colony's handover to Beijing in 1997 and said it was time for the Chinese to make the next move.

"I think the first thing to do is to start talking again," he said after briefing Prime Minister John Major on the 17 rounds of talks that ended in stalemate.

Mr. Patten, whose proposals for democratic reform in the period before the handover have provoked strong opposition from Beijing, said: "We have already made significant moves, and I think it would be for the Chinese side to make some moves as well."

He added: "We would very much like to see a resumption of talks. We are still prepared to negotiate and we very much hope the Chinese are as well."

Mr. Patten infuriated China in October 1992 by proposing changes that would let Hong Kong people elect, directly or indirectly, the majority of the territory's legislators before the 1997 takeover. Negotiations broke down in November, with China vowing to scrap any electoral changes in 1997.

A first bill dealing with some of the less contentious changes is being considered by Hong Kong's Legislative Council. Mr. Patten has vowed to push on with the proposals if Beijing refuses to talk.

## Dutch to Sue Japanese Over War Brothels

Reuters

THE HAGUE — The Netherlands on Monday said it had evidence that 200 to 300 Dutch or Dutch-Indonesian women were coerced into prostitution as "comfort women" for Japanese forces in Indonesia in World War II.

A private Dutch foundation will go to court in Tokyo on Tuesday to demand compensation for the victims.

An official investigation of government war archives found proof that in about 65 cases, the Japanese military had physically forced the women into working in brothels, the Dutch Foreign Affairs Ministry said in a statement.

## Mexico Crackdown Rings With Torture

By Tod Robberson

MORELIA, Mexico — Mariano Santiz Gómez has a deep brown scar over his left eye from the morning of Jan. 7, when Mexican Army troops arrived in this Mayan Indian mountain village to interrogate townspeople about links they may have had with Indian rebel activity in the area.

Mr. Santiz said he, like several hundred other men, was rounded up in Morelia's village square, was on his knees with his hands tied behind his back when a soldier asked him, "How many of your comrades did you have to kill to get those boots you're wearing?"

Mr. Santiz said he responded: "None. I bought them with my own hard-earned money."

The next thing he recalls was an army boot kicking him squarely in the face.

Stories of beatings, torture and incommunicado detention by Mexican Army troops are emerging throughout the southern state of Chiapas in the wake of a Jan. 7 uprising by hundreds of Indian peasant rebels calling themselves the Zapatista National Liberation Army.

The army has rejected requests for interviews on human rights or other issues related to the uprising. Military authorities reportedly have swept through Indian towns and villages like Morelia to round up men suspected of participating in the uprising. Morelia is 25 kilometers (15 miles) west of Altamirano, a town occupied by Zapatistas for at least four days and the longest-held of four large urban centers they seized on New Year's Day.

Investigators with the Human Rights group Amnesty International said they were preparing a report that would be highly critical of the Mexican government's response to the uprising. It will say that gross human rights violations were perpetrated against this state's Mayan Indian population.

"We know there have been atrocities committed here by the military," a diplomat visiting Chiapas said earlier this month.

In Washington, Representative Robert C. Torricelli, a Democrat of New Jersey, is scheduled to convene a hearing Feb. 2 on suspected human rights abuses by the Mexican Army. White House and State Department officials have warned that Mexico, as Washington's newest trading partner under the North American Free Trade Agreement, is expected to meet higher human rights standards than it has in the past.

Foreign military analysts said that the uprising appeared to have caught the Mexican Army off guard, and that widespread reports of human rights abuses were one of the symptoms of a military hurriedly trying to repair a damaged reputation and restore lost authority.

But in Morelia, as well as other villages where troops reportedly ransacked houses and clinics, occupied churches and beat civilian men, villagers refer to the army in much the same terms that the government has used to describe the Zapatistas: lawless gunmen led by "professionals of violence."

"They're afraid from one minute to the next that the army might come to beat them again," said the Reverend Jorge Rafael Diaz, a Roman Catholic priest.

He said some men had been taken with their wrists bound into his

church, where they were interrogated while kneeling before a tub of water. If they were not forthcoming or gave what soldiers deemed an incorrect answer, their heads were shoved into the tub and held under water. Others had carbonated water forced up their noses.

Villagers said they heard at least three men being beaten in the church and that one had emerged covered in blood.

Mr. Santiz, 47, a Tzeltal Indian, describes himself as one of the lucky ones among the men rounded up in the village square at sunrise Jan. 7. According to villagers and human rights investigators, 39 other men were taken away by troops that day after being forced to kneel on concrete for nearly five hours with their hands tied behind their backs.

Ten of them were released in the next two weeks. They returned here with tales of starvation, torture and incommunicado detention by the army. Twenty-six men from Morelia were being detained, without having been formally charged with a crime, at the Cerro Hecoco prison near Tuxtla Gutierrez, the state capital. Foreign human rights investigators said at least 70 Indians were being held there.

An Amnesty International investigator, Carlos Salinas, said that for nearly a week his group sought access to the detainees but was blocked from entering the prison by the government's National Commission on Human Rights. They were finally given access Friday after Mr. Torricelli complained directly to President Carlos Salinas de Gortari.

Testimony gathered by Amnesty investigators was consistent with independent accounts gathered by U.S. journalists who visited Morelia on Friday.

Evidence of other army abuses has surfaced throughout the zone of conflict in southeastern Chiapas. Scores of summary arrests and beatings have been reported in the towns of Ocosingo, Altamirano, Ocuiltepec and Rancho Nuevo.

On Jan. 4, a day after army troops stormed Ocosingo and engaged in heavy street battles with Zapatista guerrillas, journalists found the bodies of nine men — some dressed in clothing similar to the uniforms worn by Zapatista rebels — lined up inside the town's produce market, most with bullet wounds in their heads. Yellow twine, apparently used to bind their wrists, lay on the ground beside them. At least one still had twine attached to his right wrist. Several were bleeding from cuts on their wrists apparently made by the twine.

Almost all appeared to have been shot point-blank in the head, according to a U.S. forensic anthropologist, Clyde Snow, who saw close-up photographs of the bodies taken by journalists.

A government source said investigations of rights abuses, including the Ocosingo deaths, were under way. But he would not elaborate.

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مكتبة المجلات



## Death Squads Haunt Algeria

### Dozens of Killings Laid to Pro-Regime Forces

**ALGIERS** — Pro-government paramilitary death squads have killed dozens of suspected Muslim militants in Algeria in the last four months, according to Western diplomats, human rights officials and witnesses.

The death squads have emerged in response to violence by the militants, who have killed officials, intellectuals, and members of the security forces as part of a campaign to topple the government, the officials said.

"The violence in Algeria is being carried out by both sides," said a human rights attorney whose life has been threatened by the death squads. "Those in power and those trying to take power. There are frequent summary executions by those believed to be from the government, or allied with the government."

The diplomats and human rights officials said the death squads were linked to or directed by elements of the army and security forces.

Government officials say they do not know who is behind the death squads and deny systematic abuses by the military and police.

The violence in Algeria has claimed some 2,000 lives since it began in January 1992. The two main Islamic groups — the Islamic Armed Movement and the Armed Islamic Group — now control many rural areas and, after nightfall, some poor districts.

Police officers are frequent targets of the Islamic militants, and the death squads often strike in areas where police officers have been killed.

Such killings have recently taken place in the slum area of Kouba as well as the villages of Ain-Taya, 20

miles east of Algiers, and Saoula, 10 miles west of Algiers. On Nov. 17, a death squad left 10 bodies on the street in the coastal town of Bourj el Kifan, 10 miles east of Algiers, after several policemen had been killed there.

Reprisal killings have become so commonplace that neighborhoods where police or security officials are killed now brace themselves for attacks by the paramilitary forces.

The pro-government death squads include the Organization of Free Young Algerians and the Secret Organization to Safeguard the Algerian Republic. Western diplomats say they believe these groups may, in fact, stem from the same organization, and they note that the wording of their communiqués is often identical.

"It is difficult to know how many people the death squads have killed," a European diplomat said, "but we believe there have been dozens of assassinations since November."

Those who have witnessed abductions by the death squads live in fear, and many have been warned to keep silent. But a few Algerians told similar stories of kidnappings and murder on the condition they not be identified. In each case, these witnesses said, men in green military fatigues and ski hoodies appeared well after the 11:30 P.M. curfew and took people from their homes. The bodies of those who had been abducted were found shot to death on a nearby street the next morning. Notes had been left on several of the corpses.

Many of the latest victims appear to be those with relatives in the Islamic movement rather than actual combatants or supporters.

— CHRIS HEDGES

## ALGERIA: Authority Crumbles as Radicals Advance

Continued from Page 1

Two sides appear locked in a deadly contest that is plunging the country into anarchy.

Islamic militants have already carved out small enclaves. In the militant stronghold of Bida, 50 kilometers (30 miles) south of Algiers, the militants run the whole neighborhood and frequently beat the police.

After burning down establishments that sell alcohol and assassinating at least one bar owner, militants have dried up Bida, a city of 400,000. Beauty parlors have been ransacked, and most of the women on the streets are veiled.

Stores that sell music cassettes no longer carry recordings by Western groups or female singers. Satellite dishes, which bring in foreign broadcasts, have been dismantled. Kiosks and shops stopped selling newspapers a week ago after an order from the militants.

Fear drives most Algerians home before dark, where they sit in tiny, overcrowded apartments watching the heavily censored government-run television network or French channels that seem to flaunt the freedom and wealth of Europe.

Militants, who send warnings by fax or messenger, also have demanded that the butchers lower the price of meat or sell only chicken,

which is less expensive. The move, especially with growing food shortages, has proved popular.

In the muddy streets of Algiers' Kouba slum, where the police and Islamic militants open fire on one another almost daily, the reach of the militant movement is widening. A dozen police officers, armed with automatic weapons and wearing bulletproof vests, nervously man a roadblock on the outskirts of Kouba. But by nightfall this roadblock and another down the street are abandoned.

A few blocks away, in a small house, a senior leader of the Islamic Salvation Front and several lieutenants sat over cups of tea and a plate of chocolate cookies.

"Our first requirement is that those who rule the country get out of power," the senior leader said, "and if they do not want to get out of power, they will be forced out of power. If this demand is not met, there is no reason for us to talk to the generals."

"We are not against the army, or even the police, as institutions," he said. "We have many supporters in the lower ranks of both the army and the police, but the chiefs, the ones who govern, must go."

The violence has further fueled economic decline. Foreign invest-

mentors, with the exception of a few oil companies, are pulling out despite substantial losses, while others have been scared away.

"If the food shortages and bread lines continue to grow, people will take to the streets," said Ali Rechadi, director of the newspaper El Haqi. "If that happens there will be chaos. The biggest danger now is not just worsening of the armed struggle, but a popular revolt."

There are signs that violence is spinning out of control. The daily death toll includes about a dozen members of the police and security forces and at least as many civilians, Western diplomats say.

■ 60 Fundamentalists Freed

The Algerian press agency APS said the government released 60 Muslim fundamentalists Monday from a desert prison camp. Reuters reported from Algiers.

Last week, the Interior Ministry said it had ordered the release of an unspecified number of prisoners from two desert camps. It also said that it was freeing all people who had been under house arrest.

The ministry said the moves were intended as conciliatory gestures ahead of the national conference on Algeria's political future. The main political parties have said they would boycott the conference.



The father and brother of a Sarajevo boy wounded in shelling crying as he is evacuated to Italy on Monday in the hopes that doctors there can save his legs. Another boy wounded in the mortar attack Saturday also was airlifted out of the war-torn region. The attack killed six of the boys' playmates.

## UN Commander Renews Bosnia Call

**SARAJEVO**, Bosnia-Herzegovina — The outgoing commander of the United Nations forces in the former Yugoslavia renewed his call Monday for authority to order NATO warplanes to back up his troops in case of an attack on UN forces in Bosnia, despite a decision by the UN secretary-general, Boutros Boutros Ghali, to keep that power for himself.

General Jean Cot of the French Army said the idea of waiting "three hours" for political authorities at the UN's headquarters in New York to ask NATO to protect his men was unacceptable.

General Cot spoke at a ceremony to mark a handover of the UN military command in Bosnia from another departing officer, Lieutenant General Francis Briquemont of Belgium, to a British officer, General Sir Michael Rose, who once commanded the Special Air Service, the special forces branch of the British Army.

General Cot, who will leave his command before March 31, and General Briquemont are casualties of what appears to be a widening gap between the UN's political authorities in New York and the military men in Bosnia. In a recent meeting with President François Mitterrand, Mr. Boutros Ghali is reported to have demanded General Cot's removal from the post he took up in July.

General Briquemont recently announced he was quitting his post several months early because of frustration with the UN operation here.

Both men have clashed on numerous occasions with Mr. Boutros Ghali, a fact alluded to by the French general Monday when he said that the controversy concerning NATO close-air support was "just the tip of the iceberg."

The key reason, according to General Cot and General Briquemont, is that the UN general secretary and the UN Security Council have given the generals a huge task to accomplish — delivering humanitarian aid in the middle of the Bosnian war zone and protecting five UN "safe areas" in Bosnia — without giving them enough troops and a sufficiently elastic mandate.

Both generals have said that they need 9,000 to 10,000 more troops.

The controversy between the military officers and UN political side appears to be a symptom of a wider problem involving the political will of the international community to act forcefully in Bosnia.

Several countries with troops in Bosnia — Britain, Canada and France — have said they are considering withdrawing their forces.

When asked, General Rose said he had not been sent to oversee the departure of the United Nations from Bosnia.

"That is not part of our intention at the moment," he said.

General Cot appears to have been angered about the tendency of UN political authorities to meddle in what the general has said is his most important duty: protecting the lives of the UN soldiers.

"The problem is very simple," General Cot said. "In case of a massive attack against a safe area or anywhere, the only means we have of reacting against this immediately is close-air support."

He added: "Immediately means three minutes."

"That would be perfect," he said. "Half an hour, that would be nice. But it's certainly not three hours."

UN sources said that during several practice exercises, the secretary-general's office took five hours to respond to a request from General Cot for immediate authorization to order NATO close-air support.

## CHAOS: Starving Siberians Are Getting That Old Apparatchik Runaround From Moscow

Continued from Page 1

bles of what had once been a challenging but secure life in Siberia, it is the reformers she holds responsible.

"Our people are on the verge of extinction," Mrs. Kuzmina said at week's end. "I don't know why my children have to suffer for these reforms."

Oleg Bogomolov, the one bureaucrat who Mrs. Kuzmina said treated her with some consideration, said that the government indeed owes the 6,000 people of Baykit about \$2.6 million. He agreed they must be in desperate straits.

But Mr. Bogomolov, chief of the Russian cabinet's section on geology and the use of minerals, said Baykit is far from alone.

"I can assure you that everywhere, especially in all these places that are isolated and divorced from the mainland, people are living in unhygienic conditions," he said.

Mrs. Kuzmina's story illustrates why many Russians decided "radical reform" was not for them. In Moscow, while Baykit was waiting for its money, Mr. Fyodorov was desperately trying to cut back on payments to money-losing enterprises across Russia in order to

slow inflation. But there are millions of Russians like Mrs. Kuzmina, trapped in one-company towns with nowhere to go and no way to live without the state.

Finally, what Mrs. Kuzmina bumped into was an all-powerful bureaucracy that has chafed little from czarist or Communist times. Payments and credits are not awarded on the basis of laws or contracts, but according to personal whims and connections.

And when Deputy Prime Minister Yegor T. Gaidar, the architect of Russia's free-market reforms, resigned last week, it was as much out

of frustration at the reformers' inability to change the ethos of government as over any specific policy.

"Our state in its present form cannot be regarded as democratic," Mr. Gaidar said in the newspaper Izvestia. "The gap between the state and its bureaucracy, on the one hand, and the people, on the other, is again widening."

The pampered and corrupt bureaucracy "devoured the 'best' democrats," Mr. Gaidar added. "After it digested them, it returned to its old habits."

As Mrs. Kuzmina recounts her experiences, it is easy to under-

stand the nostalgia and fear that propelled the ultranationalists' success. Thin and energetic, Mr. Kuzmina graduated from college in Krasnoyarsk, in the heart of Siberia, and, unlike most of her urban classmates, chose a life in the pioneer settlement of Baykit.

"The place itself is beautiful," she said. "There's fresh air, crystal rivers, plenty of berries."

There were vacations every summer — to the Black Sea, to the Baltics, even one year to Yugoslavia. For Mrs. Kuzmina and her husband, a geologist, the oil fields seemed to promise a secure future.

## JAPAN: Parliament Defeat Confirmed That Agenda Was Too Ambitious

Continued from Page 1

The punishing reversal in parliament last week was merely the latest sign that this agenda had grown too ambitious.

Mr. Hosokawa vowed to put a younger generation in power; to rein in government bureaucrats and have elected officials set policy; to shift the balance of power in parliament to urban districts from the rural constituencies; to rescue the economy from a deep recession; to lower the astronomical prices consumers here must pay; to realign the political parties toward the center, to open the economy, and to make ideas rather than cash the currency of political debate.

Any one of these would have represented a sea change for this conservative nation, but a popular notion spread that the transformation was inevitable because of the end of the Cold War and the growing realization that the workers who were responsible for creating Japan's wealth were enjoying precious little of it.

Mr. Hosokawa only complicated his task when he determined that the electoral and campaign finance laws had to be overhauled before

he reached for his other goals. The vote on Friday thus underscored the fact that, so far at least, the high hopes for fundamental change were a product of oratory rather than action.

"In a sense, the popularity of the coalition when it was formed was too high," said Kazuo Aichi, the head of the Defense Agency and a senior figure in the Hosokawa government. "It just created problems by encouraging the prime minister to address too many things."

He added: "This cabinet was formed to pass political reform. That was its mandate. I feel very strongly about this. The cabinet tried to address everything and then kind of dilly-dallied and accomplished nothing."

In fact, Mr. Hosokawa had already faced serious setbacks on several of these fronts before the vote in parliament on his reform package.

The most telling losses have come in his unsuccessful battles to seize control of the ministries from the bureaucrats who run them.

But, as Haruo Shimada, a Keio University professor and adviser to the prime minister, pointed out, some changes appeared to be taking place despite Mr. Hosokawa's misadventures.

because of the powerful undercurrents at work here. With or without Mr. Hosokawa, something seems to be happening in Japan, even if it is not certain what.

The Socialist Party, which attempted to shift its weight toward the political center by joining Mr. Hosokawa's coalition, was torn in two by Friday's vote and appears headed for a decisive split now.

There also appears to be a growing prospect for more centrist members of the Liberal Democratic Party to defect and join the new parties at the heart of the governing coalition.

A growing consumer consciousness has fueled the growth of a new kind of store here, discounters. The popularity of cut-rate stores has helped spread the word that prices can, and maybe even should, come down.

And now, with the prospect growing that Mr. Hosokawa's government will fall and new elections will be held soon, the voters may get a chance to decide whether they are willing to risk the biggest revolution of all — holding their elected leaders accountable for pushing through the changes they say Japan must endure.

For the 1983 bombing of a French cultural center in West Berlin, Reuters reported.

Helmut Voigt, in his first testimony since his trial began last week, told a Berlin criminal court that he had been ordered to make contact with the Carlos group.

Mr. Voigt, 51, faces charges that he ordered the return of explosives confiscated from Johnnes Weirich, a suspected lieutenant of Carlos's, as Mr. Weirich entered East Germany in 1982.

## British Sex Survey Turns Up Some Traditional Surprises

**LONDON** — A survey of sexual attitudes and behavior among the British has turned up results that have surprised some sociologists and pundits: The vast majority of people practice monogamy, and only a small number admit to engaging in homosexual sex.

The National Survey of Sexual Attitudes and Life-Styles found that fewer than one in 20 married men and fewer than one in 50 married women reported having more than one sexual partner over the past year. Even fewer — roughly one in 100 married men and one in 500 married women — reported more than two partners.

For single people the figures shifted, so that more than one in four men and more than one in six women had multiple partners over the previous year. The results for people who lived together but were not married were in between but closer to those who are single.

The findings on homosexuality were controversial and, having appeared in excerpts in the press over the past two weeks, were immediately assailed by gay rights groups at a time when the House of Commons is considering a bill that would lower the age of consent from 21 to either 18 or 16.

The groups often cite earlier studies that one out of 10 men are homosexual. By contrast, the current survey indicated that only 3.5 percent of men had had a male partner at some stage in their lives. Among them, only 1.4 percent had had one in the previous five years and only 1.1 percent in the previous year. The picture was roughly comparable for women, according to the investigators.

## And in Austria, President Insists: 'I Will Survive This'

**VIENNA** — President Thomas Klestil, under fire over a love affair with an aide, denied on Monday that he was considering resignation.

"I will survive this," Austrian state television quoted Mr. Klestil as saying in a newspaper interview to be published Tuesday, breaking his 48-hour silence on the scandal.

In its main news bulletin, the report said Mr. Klestil's office had confirmed the text of the interview, in which the president declared himself "optimistic" and ruled out any thought of quitting.

Mr. Klestil's wife of 37 years, Edith, left him earlier this month, saying she could no longer bear his close relationship with an aide, Margot Linfer, 39, like Mr. Klestil a career diplomat.

Conservatives closed ranks around Mr. Klestil, 61, insisting there was no need for him to quit over revelations of a love affair that has broken up his marriage.

As Mr. Klestil talked with aides in the Hofburg on whether to leave his mistress or resign, the leader of the conservative Austrian People's Party, Erhard Busch, said he believed the affair was a "private matter."

He said at a news conference that "discussion in public is not the way to restore a marriage" and dismissed as "total nonsense" suggestions that the disclosure damaged Mr. Klestil's role as head of state, which is largely ceremonial.

for the 1983 bombing of a French cultural center in West Berlin, Reuters reported.

Helmut Voigt, in his first testimony since his trial began last week, told a Berlin criminal court that he had been ordered to make contact with the Carlos group.

Mr. Voigt, 51, faces charges that he ordered the return of explosives confiscated from Johnnes Weirich, a suspected lieutenant of Carlos's, as Mr. Weirich entered East Germany in 1982.

## MARKET: Tokyo's Falling Stocks Seem Not to Scare Foreign Investors

Continued from Page 1

package of political reform bills in the upper house, the Nikkei 225-share index plunged 954.19 points to 18,353.24 on Monday, erasing nearly half of the gains made over the previous month.

Prices dropped from the outset as individual and institutional investors took profits. The index had gained nearly 11 percent since the start of the year.

Time is running out for Mr. Hosokawa to pass a reform bill before the legislative session ends on Saturday. Failure to do so could force the prime minister to step down or call snap elections.

"Immediate dissolution of the Diet is unlikely," Solomon Brothers said in a note to investors Monday. "Virtually all politicians agree that adopting fiscal support measures is necessary immediately."

The chief cabinet secretary, Masayoshi Takemura, said Monday that the coalition, which had put economic policy on the back burner while it pursued political reform, would pursue both at once. Analysts said some sort of measures

were likely before Feb. 11, when Mr. Hosokawa is to meet President Bill Clinton to discuss the two nations' shaky trade relations.

But even though additional public works spending is likely to be approved, a reduction in income taxes, which foreign governments have long seen as the most effective way to prod the recession-plagued Japanese economy back to health, could be delayed until a new government is formed. That is because although there is consensus to cut income taxes, the Socialists in Mr. Hosokawa's coalition have opposed plans to pay for the measure with an eventual increase in consumption taxes.

"Bold new fiscal policies are likely to be possible only when the political situation is clarified, which is unlikely until after a new election," the Salomon note said.

"The stock market could languish for weeks or months, but the extent of any decline would be lessened if the Bank of Japan were cut interest rates sooner and more deeply than expected. The official discount rate, now at a record low 1.75 per-

cent, could be slashed to 1.0 percent.

Foreigners, who are estimated to have poured nearly 1 trillion yen (\$8.9 billion) into Japanese stocks since the start of this year, are also likely to provide support. Their buying accelerated this year as foreign fund managers, fearful that stock markets in Southeast Asia had peaked, shifted assets to Japan, whose market comprises between 80 percent and 85 percent of the region's equity capital. With the Nikkei index having lost more than half its value since December 1989, many hope the index will rise to 22,000 points by the end of 1994.

"A lot of the investments are asset-allocation driven," said Kathy Matsui, a strategist at Barclay's de Zeeuw Ltd. "That's why I don't think they're going to turn around and sell."

Brokers said foreign investors would continue to enter the market even as the index fell to 17,000, a key resistance level. But an erosion of prices below that threshold would threaten to undermine the health of the financial system.

That is because banks and companies rely on unrealized gains on their equity portfolios — a theoretical calculation of the capital gain they would pocket if they sold — to write off bad debt or take extraordinary expenses for restructuring.

If we have a market on March 31 that is below 18,500, the closing level one year earlier, then there's going to be negative ramifications for the financial system and the economy," said Betsy Daniel, a financial analyst at Morgan Stanley. "Banks won't be insolvent, but their ability to write off bad loans would be significantly reduced."

The major test will come toward the end of March, when companies close their accounts for the financial year. Banks and companies have already begun selling stocks to lock in gains, with most of the shares being snapped up by foreigners.

"It's not a stable or healthy market when core investors are selling off their shares to foreigners," the foreign fund manager said. "There's something very odd about this type of movement. We're getting warning signals."

## Stasi Files Fail to Link Brandt's Colleague to a Plot

**BERLIN** — More than 800 pages of former East German intelligence files released on Monday shed no light on allegations that a prominent colleague of Willy Brandt had plotted to overthrow the former West German chancellor.

Material found in the archives of Stasi, the former East German security police, gives a detailed picture of East Berlin's plans to discredit Herbert Wehner, who was parliamentary leader for the Social Democrats when Mr. Brandt was in power.

But it gave no evidence of links between Mr. Wehner and East German leaders that Mr. Brandt's widow, Brigitte Seebacher-Brandt, cited last week as a sign that he had

worked with the Communist government to force her late husband to resign.

A controversy about the men, both now dead, has become an issue in this year's election campaign. Chancellor Helmut Kohl's Christian Democrats have seized on it to accuse the Social Democrats of being unreliable and unpatriotic.

Many of the 868 pages dealt with Mr. Wehner's prewar career as a Communist official and postwar East German plans to punish him for leaving the party in 1942.

Included were reports he wrote in exile in Moscow, which have led to charges that Mr. Wehner long seen as the loyal workhorse who kept the Social Democratic faction going, was responsible for the

deaths of fellow Communists whom he denounced.

The files ended in 1966, the year Mr. Wehner became minister for all-German affairs in a coalition government, with a secret note suggesting that Stasi collect material on him for a trial to prove he was a traitor to communism.

According to Mrs. Seebacher-Brandt, Mr. Wehner was in close touch with the East German leader, Erich Honecker, in May 1974 when Mr. Brandt's aide, Günter Guillaume, was unmasked as a Communist spy. Mr. Brandt resigned over the scandal.

■ Link to Carlos Denied

A former Stasi officer denied on Monday that he had supplied explosives to an associate of the international terrorist known as Carlos

for the 1983 bombing of a French cultural center in West Berlin, Reuters reported.

Helmut Voigt, in his first testimony since his trial began last week, told a Berlin criminal court that he had been ordered to make contact with the Carlos group.

Mr. Voigt, 51, faces charges that he ordered the return of explosives confiscated from Johnnes Weirich, a suspected lieutenant of Carlos's, as Mr. Weirich entered East Germany in 1982.

## FAT: Obese Look to U.S. Courts for Relief From Burden of Discrimination

Continued from Page 1

"appearance" protections. While federal civil rights laws specifically bar discrimination based on race and sex, physical characteristics such as obesity, ugliness and shortness are not protected.

There are many negative stereotypes for the overweight: They are in poor physical shape, or unclear, or lazy. In the workplace the worst characteristics — when accurate — translate to a manager's largest headache: an unproductive employee.

"In the workplace, it's clear that fat people are usually not promoted and underemployed," said Laura Eijunk, head of the National Association to Advance Fat Acceptance.

Fighting back is the least of a fat person's worries in the workplace, according to recent studies for the association by Esther Rothblum, a

professor of psychology at the University of Vermont who surveyed the group's 4,000 members.

Miss Rothblum found that the more people weighed, the more they reported anecdotal instances of employment discrimination and of being the targets of jeering comments about weight.

Some courts have agreed that some jobs, such as emergency workers, may require that people not be too fat. But Miss Rothblum and other researchers said that 90 percent of work-related activities were not affected by weight.

Employers seem not to be moved by that fact. A study last fall by Harvard University's School of Public Health, published in the New England Journal of Medicine, firmly linked being fat with being economically disadvantaged. There are, it said, about 30 million fat Americans, 500,000 of them considered obese.

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PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

## Reform Slows Down

### Winter Fog in Moscow

Under its new government, Russia is setting off into the fog without a compass. Most of the political leaders strongly committed to economic reform have bailed out. The prime minister, Viktor Chernomyrdin, who is no friend of theirs, says that his program will now combine some Western ideas with greater regard for the special circumstances of the Russian situation. That sounds like an attempt to compromise between market principles and Communist practice. It won't work, and the effects will, unfortunately, be much harder on the Russian people than the original reforms would have been.

For President Bill Clinton this change of course in Moscow comes uncomfortably hard on the heels of his summit meeting there, less than a year earlier, with President Boris Yeltsin. It is a strong hint that Western influence on developments in Russia over the coming months will be slight. The Western democracies will need to keep their aid ready to support good decisions when Russia makes them. But if there ever existed a time when foreign aid could be used as a great lever to change minds in Russia, that time has now passed.

That is a setback for American foreign policy, and one that might sharpen the discussion in Washington about aid and

about how much was actually delivered versus the promises. Quite a lot of aid has gone to Russia during the past two years, if you include the debt relief (postponement of debt payments and forgiveness of some of the loans) that makes up most of it. But other than debt relief, the amounts provided have been far less than the Russians were led to expect.

The world's response to Russia's distress has been similar to attempts to cope in the 1980s with the Latin debt crisis. Again the primary emphasis has been on preventing the debtors' financial default and isolation, a useful goal but particularly in the Russian case hardly sufficient. In both cases the rescue efforts have been slow and intermittent. In Latin America, after a dire drop initially in the standard of living, things are now turning out pretty well. It would be unwise to assume that events in Russia will necessarily work out equally cheerfully.

Russia is getting less Western help than it had anticipated, and the West is seeing less reform in Russia than it had hoped. Progress there is evidently going to be slower, and relations with the rest of the world scarier, than in the past two years. In a period in which Russia's sense of direction is likely to be highly erratic, it is important for the United States to be exactly the opposite — steady, clear and predictable in its intentions.

— THE WASHINGTON POST.

### The West Will Watch

Russian economic reform is barely breathing. President Boris Yeltsin last week named a cabinet stacked with officials who want to keep the economy firmly under government control. Gennadi Yegorov, the primary architect of market reform, gone, for now, is Boris Fyodorov, who, as finance minister, was the only Russian standing in the way of hyperinflation. Mr. Yeltsin appointed only one reformer, Anatoli Chubais, but he is rumored to want out in a few months after he completes his ambitious privatization program.

Running policy for Mr. Yeltsin will be Gorbachev-era apparatchiks like Prime Minister Viktor Chernomyrdin, who proclaims an end to "the period of market romanticism," and Viktor Gerashchenko, head of the central bank, who wants to pump trillions of excess rubles into an economy already running inflation rates above 20 percent a month. No wonder Mr. Chernomyrdin promises to control inflation by "nonmonetary means."

Translation: government price controls. None of the new officials have voiced a coherent economic strategy; it is unlikely that any of them can. But what they are sure to do is funnel huge subsidies into steel mills, military factories and state-owned firms. That is great news for the politically wired managers who line their pockets with the subsidies, but it is a threatening economic prescription for nearly everyone else. What sense does it make to keep steel factories churning out molten

metal when Russia already produces almost twice as much steel as the United States for an economy only one-eighth as large? More steel will not feed the hungry or house the homeless. But if the Yeltsin government proceeds to pay subsidies with new rubles, it will drive inflation to astronomical levels, wrecking markets and pummeling the poor and elderly who are forced to survive on the vanishing value of their fixed incomes.

Mr. Chernomyrdin wants the West to believe that he is serious about reform but will make it slow and gentle. But he doesn't give a clue to what serious, slow reform would mean. "Serious" means a reform that stabilizes prices; the way to do that is to stop printing rubles. "Slow" presumably means that the government will preserve existing factories with subsidies. The only feasible way for the government to pay subsidies without printing money is to boost taxes. The problem is that Russia has no administrative mechanism or political will to raise taxes by huge amounts; nor has Mr. Yeltsin told voters that this is what slow reform requires.

Mr. Yeltsin might want to run away from economic reality. The danger is that if he persists, the economy will implode and pave the way for right-wing fanatics like Vladimir Zhirinovskiy to take over and destroy democracy. The West can hope that Mr. Yeltsin comes quickly to his senses. It can prepare for the day when he does by being ready to jump in without delay to help.

— THE NEW YORK TIMES.

## Americans Need to Save

After long hesitation, the American economy has once again begun to grow strongly. Even the cautious Federal Reserve Board agrees that an expansion is at last under way. The country is getting richer. That raises a question: What should Americans do with their rising wealth?

The conventional answer begins by calling for more money for education and so forth. But let's not limit ourselves to the one-third of the economy that runs through public budgets. Let's talk about the whole thing. Most of the economy, after all, consists of spending on personal consumption by private individuals. Private decisions will do as much to shape the future economy as public policy can.

In the last cycle of sustained growth, the long boom of the 1980s, Americans sharply changed the general pattern of their spending. It is instructive to see what happened, since a lot of people apparently are not entirely pleased with the way things worked out.

By the end of the '80s, Americans were spending much less of each dollar on food than a decade earlier and much more on medical care. As a society gets richer, the share of its income devoted to food typically drops, and in the '80s that drop was probably accelerated by the fierce competition in the grocery industry. At the same time, over the decade, the proportion of personal spending that went into medi-

cal care, whether directly or, through insurance, indirectly, rose by half. That is an astounding increase in so short a time.

There were other changes as well, but much smaller. Spending on recreation rose a bit, and on lawyers. But the proportion of the average person's spending that went into the great American passion for cars and driving fell significantly. It appears that the rise in health spending was forcing people to hold down or even cut back other parts of their budgets.

By no means all of the rise in medical spending was financed by reducing other spending. Americans also saved much less. In the early '70s they saved nearly 10 percent of their after-tax income. By the end of the '80s it was down to 4 percent. That is dangerous because investment comes out of savings. Low investment sets limits on technology and the kind of jobs that pay rising wages.

Two of the great concerns about the economy — the enormously rapid rise in health costs and the drop in savings and investment — are related. Reforms to limit the continued increases in the first are necessary to remedy the other. Economic growth in the 1980s was substantial but lopsided, imposing great strains on the country. Now that the economy is growing again, its new wealth needs to be used to recover a better balance.

— THE WASHINGTON POST.

## Other Comment

### A Heavy U.S. Hand in Tokyo

The stern injunctions to Japan by the U.S. Treasury secretary, Lloyd Bentsen, may be part of a new tactical maneuver.

After meeting in Tokyo with Prime Minister Morihiro Hosokawa and his finance minister, Hirohisa Fujii, the Treasury secretary declared that things were not progressing between his country and Japan. Mr. Bentsen threatened that if satisfactory trade agreements are not reached before the Hosokawa-Clinton summit on Feb. 11 in Washington, the United States will review the fundamentals of the economic partnership defined last July to reduce the Japanese trade surplus.

Mr. Bentsen's comments come, perhaps not coincidentally, at a politically difficult moment for the Japanese prime minister, abandoned late last week by part of the Socialist group in the Senate, which refused to support his reform program. The American attitude might be explained by the welcome opportunity offered by a weakened and thus theoretically less resistant prime minister. Still, one has to wonder whether Mr. Bentsen's attitude was not dictated by other considerations. Is Mr. Hosokawa losing Mr. Clinton's confidence? In that case, isn't American diplomacy, in its obsession with economic issues, playing rough with an ally in trouble?

— Le Monde (Paris).

# Governing Isn't Impossible, Just Harder Than Before

By David S. Broder

WASHINGTON — When President Bill Clinton delivers his State of the Union address Tuesday night, he will face more than the daunting challenge of an election-year agenda crisscrossed with tough topics. Governments in democratic societies around the world are notably weak these days.

More than a year ago, Bill Brock, the former Republican senator from Tennessee who under President Ronald Reagan was speaker of the House and then secretary of labor, linked the phenomenon to the revolutionary economic changes sweeping the world.

The virtual erosion of national boundaries to the flow of capital and location of manufacturing and service facilities lessens the ability of governments to control their national economies. Left of center or right of center, governments find it nearly impossible to enact and carry through policies that will cushion the shock waves of this economic transformation.

Even if the policies are correct, another election is upon them before leaders can demonstrate that they are on the right path.

Mr. Brock's analysis also applies to the United States, where George Bush struggled and failed and now Bill Clinton is being buffeted by forces he finds hard to tame. But beyond these electoral forces, there are additional factors in America that have made the task of governing far more difficult than it used to be.

The weakened condition of three principal governing institutions — parties, Congress and the presidency — has damaged the capacity of the system to develop and sustain coherent policy. And their weakness has fed the growth in power of two other sets of institutions, interest groups and the press, which, whatever their utility in other respects, are ill-equipped to develop national consensus.

The decline of political parties, which have supplied the necessary connective tissue between executive and legislative authority since the first decades of the republic, is a familiar tale. It reflects the suburbanization of America and the emergence of television as a principal means of communication among other forces. The opposition to NAFTA was led by the Democratic majority leader and the minority whip of the House. Two of the top three Democrats in the Senate also opposed the president. He put forward a high-priority health care plan, only to find it sandwiched between competing plans advanced by other groups of Democrats.

The reality is that we do not have two parties in Washington. We have 536. The president, the 100 senators and the 435 representatives are each a political party of one. Every one of them picked out the particular office he or she wanted, raised the campaign funds, hired the pollster, the media adviser, the consultants, recruited the volunteers and the campaign staff, and ran as if it were the only office on the ballot.

Once in office, they quickly discovered that governing is a lot tougher than campaigning,

that without genuine bonds of party loyalty, coalitions are hard to build.

Like his predecessors, Mr. Clinton found that dealing with members of Congress was often tougher than negotiating with heads of other sovereign states.

The president soon found himself trying to cut deals with people who operate in a ruthlessly self-interested fashion. The classic case came when Senator Herbert Kohl, Democrat of Wisconsin, a multimillionaire who paid for his own campaign, informed the president of the United States that the ceiling on a gas-tax increase was precisely 4.3 cents. Because Mr. Kohl was a potential swing vote, Mr. Clinton had to accept.

That was just one of many deals that enabled him to pass a budget by a single vote in the House and by Vice President Al Gore's tie-breaking vote in the Senate. NAFTA and other issues brought on more such bargaining. While Mr. Clinton won more often than he lost on final passage, the bargaining process too often

**We Americans ought to be honest and say that the decayed condition of our institutions makes the odds against any president's success daunting.**

involved the sacrifice of important national goals — a rational energy policy, for example.

It cost government the use of its moral authority, for the public generally reacted with revulsion to the spectacle of this crude bargaining, not realizing that it is the inevitable by-product of a system in which every office-seeker and officeholder constitutes his or her own party.

The weakening of the American presidency is the result of many forces, including the party spinners just discussed. The growth of government programs has sapped the president's ability to manage anything.

Too many people beyond his reach — federal bureaucrats and state and local officials spending federal dollars — do the day-to-day work of governing for which he is in theory accountable. This president has struggled even to manage his own White House staff, and the fiasco over the Bobby Ray Inman appointment casts doubt on whether he has figured out how to do it.

A series of credibility crises has weakened Americans' trust in their presidents, from Lyndon Johnson and Vietnam to George Bush on Iran and the Gulf, and Clinton on the Whitewater scandal. Clinton has added to the list, with everything from his excuses for missing military service to the special prosecutor on Whitewater.

But this president, unlike several of his predecessors, has an activist agenda; this year alone, he hopes to restructure three basic social programs — education, welfare and health care.

Historically, major changes in domestic policy have occurred in special circumstances when the country was deep in a recognized crisis (the Great Depression setting the stage for the New Deal) or a president had just won a landslide election victory (Lyndon Johnson and the Great Society of 1965, or Ronald Reagan and the tax-and-budget revolution of 1981).

Neither case fits Mr. Clinton's situation. The doubts he raised in the campaign limited his victory to a plurality of 43 percent, which in turn has reduced his political clout in the hands of hand combat with the leaders of the other 535 parties in Washington. Even as the economic recovery bolsters him, his repeated imbrications, personal and political, drag him back down.

If the parties are weak and the presidency is weak, then what word applies to Congress and its reputation? The lawmakers have long been the butt of jokes, but the contempt in which they are held these days bespeaks something darker and more sinister. An NBC-Wall Street Journal poll last month found only three of 10 respondents expressing approval of the national legislature.

The contempt on the legislature can be seen in several ways. They are bailing out in record numbers. In 1992, 65 House members retired from Congress; the early pace suggests that the numbers may be even higher this year. Many are relative youngsters, like Representative Tim Panney, Democrat of Minnesota, 42, who said he had been worn down after seven years by frustration with a Congress "that is constantly fragmented and seldom gets anything done."

For those who stay behind, the public mood feeds serious anxiety attacks. Members of the largest freshman class in almost half a century face with dread the prospect of running for the first time with the awful label "incumbent" attached to their names.

Even upperclassmen weigh and measure each vote for the hidden time bomb it may contain, seeking constant reassurance that an opponent will not zap them with a 30-second spot for "representing their members in ways that elected officials and politicians cannot or do not want."

I do not take a pessimistic view of special interests or their financial and political clout. In a diverse, pluralistic society, representation has to

go beyond the mere act of voting on election day. But there is a question of proportion.

When scores of House members receive more than half their campaign funds from political action committees, the balance has shifted in ways that make it virtually impossible for any issue to be considered on its merits. (Health care provides a case in point. The White House has logged into its computers the names of more than 1,100 interest groups with substantial stakes in the health care battle.)

The other recipient of the power that has flowed out of the governing institutions is the press. Willy-nilly, much of the agenda-setting that was done by political parties and elected officials in times past has drifted into the hands of news organizations.

We journalists are ill-equipped for the job. Reporters are instinctively right promoters. Consensus-building is not our forte — or our job. Launching and carrying through public policy requires sustained effort. The press in all policy requires sustained effort. The press in all policy requires sustained effort. The press in all policy requires sustained effort.

Does this mean that governing is impossible? No, but it is increasingly difficult. This is not to make alibis for President Clinton. He promised national leadership and it is up to him to deliver. But we Americans ought to be honest and say that the decayed condition of our vital institutions makes the odds against any president's success pretty daunting.

And we might acknowledge another fact: our own complexity in these programs. Weak as our institutions may be, they have not lost their responsiveness. When the American people send an unequivocal signal of what they want done, Washington still gets the message — and acts.

Look at gun control. For years, polls had shown majority support for stricter measures, but there was so little passion behind the polling numbers that aggressive lobbying could defeat measures like the Brady bill. When voters finally became aroused by repeated incidents of slaughter by gun-toting crazies, Congress, the president and both parties got on the ball.

But often, the people send confusing, contradictory signals to Washington. For example, most Americans say they are satisfied with their own care but would like to see health insurance made available to everyone. They want government to crack down on excesses, frauds and rip-offs that they think are occurring in the health care system. But they don't want a big government bureaucracy or any government official standing between them and their doctor or hospital. And, by the way, they don't want to pay more taxes for more protection.

When people begin to resolve some of these contradictions in their own minds, they may be able to start repairing battered institutions.

The Washington Post.

## When Foreign Operators Rock the Boats in Distant Harbors

By Philip Bowring

HONG KONG — "Extremism in the defense of liberty" was once a conservative claim to virtue, but it never went unchallenged by politicians of a different stripe. Today, however, some extreme forms of free-market philosophy appear to go unquestioned in much of the Western world, despite the instability they may sometimes cause.

Last year France saw in the assault on the franc the ramifications of foreign exchange dealers. So how must it feel for a medium-sized Asian country to be subjected to waves of foreign money over which it has little control without denying its own long-standing commitments to the merits of the marketplace?

In the past few weeks, most of the stock markets of Asia, and some in Latin America, have shown remarkable volatility. Daily movements in excess of 2 percent have become almost the norm. Movements of 5 percent are no longer a surprise. Even one of 10 percent gets a headline for only a day. No one factor accounts for all of this, but the biggest influence is the flow of foreign portfolio investment, or, in some cases, hot money chasing higher interest rates.

Mostly this has been regarded as "a good thing" by almost everyone except some central banks that must try to neutralize the effect of these flows on their monetary policies. Recipient countries are able to boast of

their nations' attractions to foreign investors. Prices mostly go up. The market participants are naturally in the forefront of those saying that portfolio flows are an unavoidable part of globalization, and will help the more open developing economies by giving them access to cheaper capital than is available from domestic sources. All these are half-truths.

It is worth taking a look at the response of two of the most successful Asian economies, South Korea and Taiwan, to see how they have responded to what has been happening elsewhere. Both have been under severe pressure from Western trade partners for financial sector liberalization, but both have either shelved plans for easing portfolio investment restrictions or even, in the Korean case, put up additional bureaucratic obstacles.

The Seoul bourse has been one of the more stable in Asia because of the relatively small part played by foreign money, which was confined to a few institutions, including recently as 18 months ago the fund managers of London and New York who now pay 30 percent premiums for Korean funds would not touch them at a 30 percent discount. Much of the recent movement on the Seoul market has been due to speculation as to

whether the government would raise the foreign limit from 10 to 15 or 20 percent. The government is then abused by foreigners for insisting that the overall interests of the economy take precedence over their interests.

In Taiwan, the government has postponed an increase in foreign portfolio levels. No one could claim that Taiwan's market volatility has ever been foreign-driven, but, as in South Korea, there are money-supply and interest-rate consequences.

Contrast this with Thailand. The foreign portfolio has not just helped lift the stock market by more than 100 percent over a year. It has pushed short-term interest rates down to levels that cannot long be maintained without compromising broader policy objectives.

New Zealand has had to cope with floods of money from "experts" who barely knew where it was a few months earlier but learned that it had a reserve bank with an anti-inflation constitution. Result: a flood of money that pushed the currency up and interest rates down far enough to threaten economic damage.

Even India has been affected, although its stock market only recently came into favor. Inflow of \$1 billion to \$2 billion may not seem much to a stock market with capitalization of \$100 billion. But, as in Brazil, which is of similar size, the impact is big because markets are thin relative to capitalization.

Free market advocates often do not understand how the weight of money from Europe and North America can destabilize smaller markets. So far there have been few complaints, because markets have been going up. But remember 1987? At that time Asian markets were far less influenced by foreign portfolio flows than now, yet they plunged even more sharply than Wall Street did. Next time the carnage could be worse, and last longer, becoming a significant political issue. The cry will go up: "Foreigners caused our market to fall 50 percent. In future, keep them out!"

Such sentiments will undermine commitment to more important aspects of the market economy — free trade, flow of direct investment, transfer of technology and so on. This is not to argue against the merits of globalization or of investing in emerging markets. But recent excesses could endanger a lot more than broker, exchange-dealer and fund-manager commissions (and personal account dealers, which drive so many of them). The Korean and Taiwanese are right to be wary of liberalization and national debt are to be compatible in the long run, economic management of countries like South Korea, Malaysia and Thailand cannot be beholden to the whims of the portfolio allocators and currency speculators.

International Herald Tribune.

## Evidence of Nazi-Communist Collusion Behind the Propaganda

By Stephen Koch

NEW YORK — Even today, it is widely believed that during the 1930s Stalin may have been tyrannical and treacherous but at least his anti-fascism was genuinely anti-fascist. Wasn't it?

The Communists may have done monstrous things, but about Hitler they were ahead of the complacent, appeasing democracies. Weren't they? There is good reason to doubt it.

On the freezing night of Feb. 27, 1933, the parliament building in Berlin, the Reichstag, was demolished by

The Communists counterattacked with a worldwide propaganda campaign, which was vastly more persuasive than the Nazi propaganda. It was officially and popularly welcomed by the West, which appropriately felt threatened by developments in Germany.

The campaign was covertly directed by the secret service of the Comintern, the Kremlin's international arm, and masterminded by Willi Münzenberg, the organizational genius behind the Comintern's propaganda operations in the West.

Using fact and fiction, he set out to co-opt and lead widespread revolution against the events in Germany. This set the agenda for the anti-fascism of the era. Mr. Münzenberg's apparatus revealed many Nazi horrors, with a special focus on the leadership of the SA, the Nazi party's private army of brown-shirted thugs, and their commandant, Ernst Röhm.

The war of words was designed to reach beyond Communist ranks to enlighten people everywhere — artists, writers, intellectuals, everyone aware against Nazism. All were drawn in, as well they might have been.

Yet after a seven-month trial before five German judges that was purportedly set up to destroy him and that was marked by unrelenting Nazi prosecutorial invective, Mr. Dimirov was acquitted late in 1933. How could this have happened?

During the trial, rumors circulated that a secret deal had been struck between the Nazi and Communist secret services, assuring Mr. Dimirov and his two lieutenants of acquittal. Evidently the rumors were true. The trial was a charade within a charade.

In 1948, Ruth Fischer, a former high-level German Communist, in her book "Stalin and German Communism," published persuasive evidence of just such a covert collaboration, based on her conversations with Communist and Nazi go-betweens.

During the trial, she was let in on the general outlines of the apparent deal by Wilhelm Pieck, who would

become president of East Germany. In 1933 he had sought her assistance in the propaganda operations.

During and after World War II, Miss Fischer systematically tried to learn the whole story, using, among others, Rudolf Diels, a former Nazi deeply involved in the trial and the Gestapo, and Bob Edwards, a former high-level British Communist who had learned details of the apparent conspiracy in Moscow.

In 1989, I interviewed Mr. Münzenberg's widow, Babette Gross, 92, in Munich. She confirmed Miss Fischer's information about a deal.

After 1991, when the Comintern archives began to open, new documentary evidence revealed high-level contacts between German army officers and Stalin's aides on such matters as General Röhm and the SA and details of Mr. Dimirov's release.

The evidence on what I had come to regard as the Dimirov conspiracy seemed close to conclusive.

In 1992, Peter Semerdjiev, a former member of the Bulgarian party's Central Committee, who had been very close to Mr. Dimirov, told me the secret conspiracy was known to him and a few top Bulgarian leaders.

What could possibly have motivated both dictators to make such an arrangement? They fully intended to destroy each other. Yet they had much in common, not least their radical hatred for liberal democracy. And in 1933 each had practical reasons for wanting a propaganda war with more

Gestapo to discredit Field Marshal Mikhail Tuchachevsky and others he numbered in the Great Terror of 1936-1938. My evidence indicates that Hitler used the NKVD and the propaganda generated by Mr. Münzenberg's apparatus for the murder of General Röhm and the slaughter of his SA storm troops during the Night of Long Knives on June 30, 1934.

While Himmler's SS blackshirts were machine-gunning their fellow Nazis in the SA, Stalin summoned his closest advisers to the Kremlin for a midnight meeting. According to the memoir of Walter Krivitsky, a senior intelligence officer who defected to the West, Stalin said that at that very hour Hitler was consolidating his position as Europe's most powerful figure. Therefore, the true Soviet policy henceforth would be secretly to seek, despite the anti-fascist appearances,

an accommodation with the Nazis.

This directive, according to Mr. Krivitsky, was handed down six years before the Nazi-Soviet alliance of August 1939 set the stage for World War II. Thus, almost certainly, the most urgent moral cause of the 1930s, anti-fascism, was betrayed from within by precisely the Communists who most ardently claimed it as their own.

The differences between communism and fascism were profound, yet there is no doubt that they served each other in destroying freedom. A probable Dimirov conspiracy is the earliest evidence of that secret bond.

The writer, chairman of the writing division of Columbia University, is author of "Double Lives," about espionage and culture before the Cold War. He contributed this comment to The New York Times.

## IN OUR PAGES: 100, 75 AND 50 YEARS AGO

### 1894: Bismarck's Return

BERLIN — Prince Bismarck will arrive in Berlin on Friday [Jan. 26] and will therefore be able to be present at the court festivities in honor of the Emperor's birthday. He will be lodged in the castle in the suite of apartments occupied by the Czar. The duration of his stay is not yet determined. General Count Waldersee, the Commander of the 9th Army Corps, whose headquarters is at Altona, only a few miles distant from Prince Bismarck's house, has received orders to proceed to Friedrichshagen, and will probably accompany the ex-Chancellor to Berlin. Various patriotic associations are preparing an imposing reception for the Prince.

### 1919: Problems at Home

LONDON — The "Daily Telegraph's" New York correspondent wires that there are symptoms of

American impatience with the seeming slowness of the Peace Conference. In the absence of the expected business boom many people are asking why President Wilson does not hurry home to give attention to the many pressing problems connected with railroads, shipping, money, credit, production, labor prices and, more particularly, unemployment, which the New York Herald today [Jan. 25] declares is "approaching a perilous stage."

### 1944: U.S. Raid on Sofia

LONDON — [From our New York edition.] The German official news agency, D.N.B., said early today [Jan. 25] that American bombers escorted by fighters attempted to attack Sofia, the capital of Bulgaria, at noon yesterday. Anti-aircraft fire and German and Bulgarian fighter planes dispersed the greater part of the American planes before they reached Sofia, D.N.B. said. A number of the American planes, it said, were shot down.

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International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France.  
Tel.: (1) 46.37.93.00, Fax: Circulation, 46.37.06.51, Advertising, 46.37.52.12.

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S.A. au capital de 1.200.000 F, RCS Nanterre B 732021126, Commission Paritaire No. 61337  
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## OPINION

## A Guide to the State of the Speech

By William Safire

WASHINGTON — You cannot watch a State of the Union address without a scorecard. Here is a handy-dandy sheet of favorite plays and intricate defenses to paste in your hat as President Bill Clinton and the Congress put on their annual pregame pageant.

1. Watch for the keyword theme-setter. Presidents say "The State of the Union is —" and then add "good" or "sound," or as one did in an unprecedented fit of candor, "not good." If Mr. Clinton says something like "getting better," keep your eye out for:

2. The climbing-economy credit grab. Ordinarily the results of the first year are blamed on the previous administration; new policies take a year to take effect. This year, however (thanks to the defeat

of the benighted Clinton stimulus package, and to the drop in oil prices bequeathed by President George Bush), the economy continues to grow without inflation. Listen to credit being snatched by Democrats, culminating in:

3. We have all but licked the budget deficit, so come home, Terrot voters. Remember those dire \$300 billion red-ink projections? Thanks to spending reductions (forced on the administration, but now welcomed) and the aforementioned Clinton climbing economy, we are projecting a piddling \$180 billion next year. Do not expect to hear anyone blamed for egregiously wrong

projections, or credit given skinflints for suggesting that growth, not taxation, is the way out of deficits.

4. Centerpiece time, as he waxes rhapsodic about Health Reform, letting cameras linger on the lady in the gallery, who will not be holding hands with the Fed's Alan Greenspan. (Unemployed Kremlinologists, skilled in measuring proximity to power of bureaucrats atop Lenin's Tomb on May Day, will wait for Hillary's seatmate this year, which may be the clue to this year's Pentagon boss, unless it is skater Nancy Kerrigan.)

5. Listen for Ewawki — acronym for "Ending Welfare As We Know It" — the continued abandonment of which would strangle health reform in its universal crib. Watch for cameras to swing to Daniel Patrick Moynihan's smile of floor-macabre amplification, as he listens to this surrender to his demand that health and welfare reform be remarked.

6. Observe the frustration on Republican faces as Democrats wildly applaud his brazen kidnapping of the crime issue. Liberal root-causality is dead; it is no crime to steal the opposition's clothes.

7. Catch the List of Popular Accomplishments from national service to the signing of family leave, from happy talk of information superhighways to reinvention of government (which him turn, shake hands with Al Gore, properly calling him "Mr. President" — of the Senate) but note how little is said about controversial actions, from the compromise on gays in the military to support of abortion rights.

8. Listen for the strain in his voice as he tries to claim foreign-policy success in the holding of meetings. He has been practicing the line "From meetings in Moscow to promote democracy to meetings in Tokyo to revive the world economy, our seriousness of purpose is winning respect around the world and getting results"; if he tries this lollapalooza of a non-applause line in the State of the Union, observe the embarrassed silence on the left and unseemly guffaws on the right.

9. Bully that pulpit; stand by for uplift. The adept politician presses his oratorical strength. Because Mr. Clinton's strongest speech of the year was delivered at Memphis to a billion audience, calling for individual moral responsibility and a rebirth of family values, look for a return to this theme — this time, aimed at Americans of all ilk. Park your cynicism with the House doorkeeper; this is what presidents should do, and what Mr. Clinton has shown he can do well.

10. Ask not why the speech is running close to an hour; ask why the assembled solons, Supremes and secretaries are interrupting so often with applause. Because when they are clapping, the camera pans their faces. They seldom clap for the president, no matter who he is; they clap for the camera to give them face time with the American people, whose Union is free and prosperous — and though testy and self-absorbed, in a fairly good state.

The New York Times

## Not Such a Bad Record

By Morris B. Abram

NEW YORK — As the century nears its end, the United States occupies a preeminent position, the most dominant in its history. In part, this has to do with the misfortunes of others — an empire has fallen, countries have fractured, economies sag.

This has been a century of much technical progress, yet it has been the bloodiest ever. Millions died in two world wars; millions more were killed by their own governments. Throughout all this, the United States, for all its difficulties, has remained the hope and haven of those seeking a better life.

In my years at the United Nations, I listened to much criticism of the United States (though less in recent years). It is said to be materialistic, racist, violent and hegemonic. But in this far from ideal world, the United States has established a remarkably admirable record. Twice in this century it came to Europe's rescue. After each salvation, it tried sentimentally to establish the international mechanisms to prevent a recurrence.

After World War II, the United States donated large sums to rebuild the economies not only of its allies but of its defeated enemies. In 1951, although they were weary of war, Americans took up arms to defend Korea. As the anchor of NATO, they shouldered the burdens and risks of containing Communist aggression.

In Vietnam, the American impulse to protect went too far. The ineffectual lesson is that a vibrant democracy can bring down an otherwise good presidency by democratic protest. The succeeding president was himself driven from office after offending their traditions.

These are instances, only a few years apart, in which the American people revoked mandates and toppled commanders in chief by bloodless resistance. Despite the turmoil, American democracy was never threatened.

During this same period, legalized racism has been overcome by legislation and court action. Large segments of society have been obliged to give obedience, sometimes by sullen surrender, to the nation's higher principles, which prevail over prejudice on such explosive issues as race, religion and the language of hate.

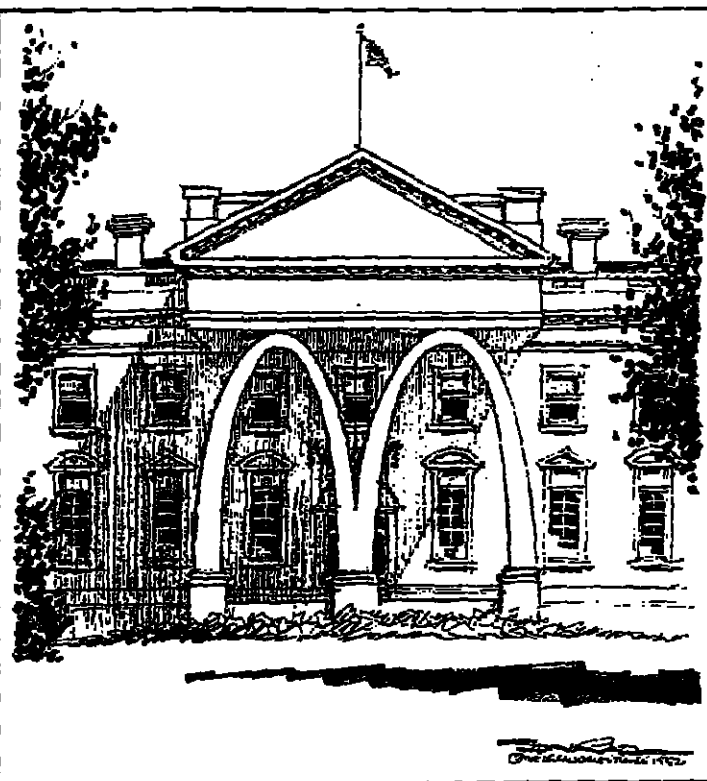
Although America is composed of as many ethnic and religious groups as any country, not since the Civil War has any group tried to break away. America's racial patterns are changing and its economy is maturing, but the constant is peaceful adjustment within the framework of a constitution that has been amended only 26 times in more than 200 years.

Crime is a serious concern. But the United States has not yielded its traditions of due process. As with other problems, the nation confronts its concerns through open debate and free elections. Congress has begun to take control of the gun problem.

Economically, the United States is not booming, but its unemployment figures are half those of most of the advanced European countries. The American spirit of free enterprise and open markets has been copied by the prospering Asian states and even by former Communist systems. After years of self-examination, American industry is again among the most efficient in the world.

The most sincere form of flattery may be imitation, but the most convincing evidence of a society's attraction is in immigration patterns. There is no doubt that in the worst of times, the beacon held aloft by the Statue of Liberty has enticed more of mankind than any other light anywhere.

The writer, a former U.S. permanent representative to the United Nations in Geneva, is chairman of the United Nations Watch, Geneva. He contributed this column to the Herald Tribune.



## The Golden Spoiler Elbows Its Ugly Way Onto the Ice

By Anna Quindlen

NEW YORK — Figure skating is like a dream. "Everything was beautiful at the ballet," three dancers with fractured childhoods sing in "A Chorus Line" of their refuge in ice shoes. That is what skating evokes, when the ice is silver-bright, the blades swift, the skater accomplished — a beautiful momentary release from the tatters of real life.

That is somewhat illusory, as any girl-

## MEANWHILE

child who has risen before dawn to practice her compulsory figures day after day, year after year, can testify. Behind the glorious line of leg and upraised arm, behind the double axels and the triple-ice combinations, lie sweat and tears and pain. And behind it all, at the highest levels, lies that golden thing that has become all that glitters in much professional sport today: money.

So why so shocked, sports fans, to find how far and how low the love of lucre can

take competitive athletics? Why so shocked to discover that those allied with Tonya Harding's brilliant, bumpy skating career — and, some say, Tonya herself — were allegedly willing to do violence to her rival, Nancy Kerrigan, for a pot of gold at the end of the Olympic rainbow?

Get real. The statistics about top football, basketball and baseball players today are as often the sum total of their commercial endorsements and contract negotiations as they are batting averages or pass completions. Watch Wimbledon and it is like watching a collection of tiny moving billboards, the corporate logos of juice companies and shoe manufacturers plastered on sleeves, wristbands, shorts.

Chris Evert, the champ who always knew the difference between competitive and cutthroat, says she is glad she is not playing tennis professionally today.

"Wherever there's more money, there's going to be more downfall," Jennifer Capriati did not sell her adolescence for the thrill of the percussive sound of tennis ball meeting racket. She spent the years between 13 and 17 in child labor on the professional circuit, earning more than \$1 million. No one should be surprised that bad things are done for that amount of cash, or that Jennifer is now burned out and wants nothing more than to finish high school.

In recent years it has become clear how much athletes are willing to do to win. Featherlight gymnasts, their rib cages aflutter as they stood with arms raised to the crowd, threw up their low-calorie meals or did not eat in the first place. Steroids became the breakfast of champions for the bulk-up sports. It is really that great a leap from hurting yourself to hurting the competition?

There may have been a time when the feeling of the earth moving so effortlessly beneath the blades of her skates was Tonya Harding's great reward. And maybe there are moments when those blades still mute the sound of coins clinking, when she forgets that she is famous and just about broke and cares only that she is superb at the sport.

Tonya, like so many others, was in it for the money. Now, with all the bad publicity, it will never come. Tonya is a hard case, tough and smart-mouthed and enormously talented. Had she been a young man in baseball, she might have made a mint. But figure skating is still a dream, and Nancy Kerrigan, not Tonya Harding, is a dream girl, sweet, beautiful, graceful and suited to chiffrons.

No bad childhood, no financial woes, no competition or rewards could ever excuse the moment when someone acting on Tonya Harding's behalf, if not her behest, whacked Nancy Kerrigan in the leg. But why so shocked? The motto of professional athletics has been clear for some time — it isn't how you play the game, it's whether you win. When money is the root of all evil follows.

The New York Times

## LETTERS TO THE EDITOR

## The Serbian Church

Regarding "Bosnia's Holocaust Puts the Churches to Shame" (Opinion, Jan. 5) by Henry Siegman:

The Serbian Christian Orthodox Church does not sanction any "recklessness and faithlessness" in Bosnia, as Mr. Siegman alleges. The head of the church, Patriarch Pavle, has prayed for peace and asked all three warring factions to observe rules of human behavior and not to commit atrocities.

During his visit to Austria in November, Patriarch Pavle stated that he would not "accept any Serbia, large or small, as the cost of crimes" and that in Bosnia there were three culprits, not one.

We trust that Protestant, Catholic and Jewish religious institutions will assess Mr. Siegman's call for bombing the Serbs as being reckless and alien to the spirituality of any religion.

IVAN ALEKSIC and MILUN KOSTIC, London.

## Inman and His Detractors

In defense of Bobby Ray Inman, I would like to say that throughout his long career in public service, he has been recognized as being exceedingly bright, capable, honest and a devoted servant of his country.

Now, after his recent confrontation with the media, it is open season on Mr. Inman. If the press's moral crusading is allowed to continue at its present pace, I fear that the overall quality of candidates for public service will dwindle (if it hasn't already); and that the United

States will be saddled with government officials whose only qualifications are a thick skin and a thick head.

PETER B. MARTIN, Montclair, France.

If Bobby Ray Inman can be scared out of Washington by the likes of William Safire, lapdog of two discredited administrations, then, as Senator Bob Dole suggests, he was probably not the man for the job. But in the future, Mr. Safire should be restricted to commentary on grammar and etymology; his reminiscences of the good old Nixon days threaten a triumph of dullness.

MICHAEL G. HANLY, Paris.

## The Fate of Cypriot Turks

Regarding "Why Turkey Invaded" (Letters, Dec. 15):

T. L. Chrysanthopoulos asserts that "the Turkish Cypriots were never in danger" during the failed Greek coup. That is exactly what Mr. Inman's grandpa would be told shortly before being abducted and murdered by Greek Cypriot soldiers in Cyprus in 1964.

No one can deny that hundreds of Turkish Cypriot civilians, sometimes entire villages, were slaughtered by the Cypriot (Greek Cypriot) and mainland Greek army during attacks in 1963-64, 1967 and 1973-74. As a result of the Turkish military intervention the lives of thousands of Turkish Cypriots have been saved. So have the lives of Greek Cypriots opposed to the annexation of Cyprus by Greece.

As to the "settlers," mainland Turks

have settled in Cyprus, but more than double the number of Turkish Cypriots have fled Cyprus for Turkey or elsewhere because of the conflict.

CANAN SINAN, Geneva.

## Turkey and Rights

Regarding "Unappreciated Turkey" (Letters, Jan. 5):

Mehmet Oguclu seems concerned that Turkey doesn't "receive any meaningful support from its allies, including the United States." I suggest that this may be due to Turkey's poor human rights record, which has been more than adequately documented.

PETER ADAMS, Paris.

## Play It as It Lays

Regarding "Rex Morgan" (Comics, Jan. 10):

If Berna's brother Dexter is "probably lying in bed," he must be laying eggs and in need of English lessons even more than of cooking lessons.

LEONORE SUHL, Portimão, Portugal.

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# Style



Clockwise from top left, jewelry by Yuko Nakajima, Mark Silverman, Paola Longhi and Jasper Lam Siu Yuk, which won Diamonds-International Awards for design.

## Dressing the '90s in Diamonds

**P**ARIS — A gust of fresh air and a flood of daylight have swept through the opulent world of diamonds. That is the message from a new generation of jewelry designers worldwide. The biennial Diamonds-International Awards — the jewelry Oscars announced in Paris — were about the incredible lightness of fine jewels for the 1990s.

Here were diamonds twinkling from translucent nuggets of rock crystal, sprinkled on a mesh of gold bracelet or quivering at the neck suspended from the skinniest of leather thongs.

The settings might be complex, fancy or even funky — what price a pair of diamond spurs? — but the award winners all had a lightness of touch and technique. The results — some classic, others experimental — are likely to influence not just future designs but also attitudes, which in the past have often been reverential and stuffy.

The new deal was symbolized by the British designer John Galiano, his hair teased into devil's horns, as one of the designer guests whose outfit appeared in the gala fashion-with-diamonds show.

The American jeweler Henry Dunay, whose bold piece flashed with blue enamel was an award winner, praised the energy and color of the designs — and the American sense of humor.

"I see a lot of enamel, with color coming through strong and a sense of designers saying, 'Let's not be afraid,'" said Dunay, citing the Japanese design of

acrylic laid on top of diamonds and American offerings that were "casual and fun" but still exciting.

Mark Silverman, whose glitter gulch diamond spurs could be just the thing to offset your cowboy boots, said he wanted a design that was "whimsical" and "that hadn't been done before — and something western seemed very American."

The rise of the Pacific Rim countries in jewelry design was marked by the first award winner from South Korea: Hee Won Kang's lacquer-and-diamond geometric earrings dripping from lobe to shoulder.

From the Philippines came a striking crystal necklace, the diamonds buried in what looked like irregular ice blocks. "I knew it had to be unique and I played with the crystals," said Jul B. Dizon.

Vibrant enamel colors gleamed from the geometric green neck piece designed by Ann Gerard of France and from the blue enamel cuff with diamond stars and stars from Diego Benetti of Italy. An ecological spirit for the 1990s brought a leaf pin, its surface a mosaic of diamonds and dewdrops in acrylic, from Yuko Nakajima of Japan.

Janis Savitt of the United States expressed the spirit of the exhibits when she said that her diamonds, suspended like raindrops from a necklace of leather thongs, was "to treat diamonds as casual and wear them with everything you own."

Suzi Menkes



Among guests when Ambassador Pamela Harriman (left) hosted the Friends of Blérancourt were Lynn Wyatt (top right) and Nan Kempner.

## Across the Atlantic: Amity and Architecture

By Suzi Menkes  
International Herald Tribune

**P**ARIS — The hostess symbolically wore the pants — and so did all the elegant Franco-American guests — when Ambassador Pamela Harriman opened her residence to the Friends of Blérancourt.

It may be a group devoted to rehabilitating a ruined chateau, but Friday's fund-raising event was a fancy affair, with a dinner by Taillevent restaurant and a guest list as grand as when the chateau was rescued by Anne Morgan (daughter of J.P. Morgan) and her Social Register friends.

The raison d'être of Blérancourt is not just its objets d'art and architecture, but the reaffirmation of friendship which has united two countries for more than 200 years," said Harriman.

The American Friends of Blérancourt is devoted to restoring the 17th-century chateau in Picardy, north of Paris, and supporting its museum, founded by Morgan in the 1920s and recently expanded.

Harriman, who said wistfully that she had been too busy with affairs of state to attend last week's haute couture collections, was dressed in black pants and a velvet jacket with sparkling buttons from Yves Saint Laurent.

The Blérancourt dinner proved how fashion's new look for the 1990s is taking over from little black dresses and bright brocade jackets — the familiar uniform of le Tout Paris for the past decade. The American contingent, especially, chose soft tunics and jackets worn with trousers straight and narrow or full and flowing.

The standstill among the social-

ities was Lynn Wyatt, who was wearing an Ungaro embossed velvet tunic and waiting chignon pants in sea green, which matched the boiserie in the reception room, where bowls of white lilies bloomed in chinoiserie vases.

"But I don't dress for any room — not for anyone except myself," said Wyatt.

Also in pants from Ungaro — in black cutout velvet and chiffon — was Florence Grinda. Nan Kempner, with her new pageboy hairdo, wore an Yves Saint Laurent outfit of antique gold top with black jacket and pants.

Chic French women wearing pants included Angélique de Moustier, in a curvaceous Thierry Mugler outfit, Ariel de Ravenel in Saint Laurent, and Odile Racamier, wearing black pants with an orange shawl and jacket from Claude Montana's couture days at Lanvin.

Her husband, Henry, said that his Orcoff company had sold its 60 percent share in the Îles de la Fresange label to François Louis Vuitton. (Îles de la Fresange announced Monday the change of structure and a new president,

Thierry Dufrene, formerly of Lanvin).

Funds raised by the Blérancourt benefit are for projects designed to expand the chateau's role as a Franco-American cultural center.

When Morgan bought the chateau in 1917, she turned its remaining buildings into a war hospital, and subsequently into a museum to memorialize the American contribution to the war effort, when Ernest Hemingway and Gertrude Stein were drivers with the American Field Service Ambulance Corps. (A sturdy Ford Model T ambulance, with stained canopy stretched over scarred chassis, is on exhibit.)

But Blérancourt is increasingly focusing on art and culture, with prints and engravings displayed in the gatehouse that was Morgan's home and the second gatehouse, which since 1990 has housed the museum's library and archives.

The Florence Gould pavilion, housing the museum's art collection and war memorabilia, was expanded in 1989. Eugénie Angles, the president of Friends of Blérancourt, plans to mount exhibitions of contemporary art in conjunction

with the new American Center in the Berry area of Paris.

The castle grounds will be landscaped to reflect the original 17th-century spirit. The Friends have already sponsored an arboretum of American trees opened in 1986 and gardens of spring and fall flowering plants, opened in 1989.

This is the season to plan a trip to Blérancourt to see the spring garden, with its paths snaking round large grass beds planted with native American mill trees and its arbor of climbing shrubs, designed by the American landscape architect Madison Cox, who was at the embassy dinner.

"I had my idea to use plants native to North America," said Thomas Jefferson's curved path," he said.

But Cox's boxwood-lined beds, inspired by the gardens of Virginia, hit the first snag of Blérancourt's idyllic Franco-American cooperation. Faced with the romantic "clouds of boxwood" growing "au naturel," the French gardener, in the interests of logic, order and the Gallic gardening tradition, lopped it into a perfect geometric box hedge.

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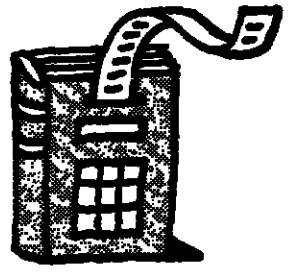
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## BOOKS

### WHAT THEY'RE READING

Joel Levy, spokesman at the American Embassy branch office in Berlin, is reading "Chaos: Making a New Science" by James Gleick and "Gray Dawn" by Charles Hoffman.

"I enjoy reading several books during the same period. 'Chaos' is an account of the development of that branch of mathematics which finds the order in apparent chaos. 'Gray Dawn' is an insightful look at the Jewish communities of Eastern Europe." (Michael Kallenbach, IHT)



become a clandestine leader of the Communist International, or Comintern, whose true mission, Koch argues, was not to create international revolution but rather to distract the world from whatever the Soviet dictatorship was about.

In that role, Koch writes, Münzenberg created an extensive network of agents, both writing and unwitting, that extended from London to Paris, from Berlin to Barcelona and from Washington to Hollywood. Through these "agents of influence," he was able to shape the West's perception of events like the Sacco-Vanzetti case, which became an emblem of American injustice; the Reichstag fire, which Hitler used (with Stalin's perverse cooperation) as a stepping stone to power; and the creation of the Popular Front against Fascism. Koch says the left-liberal alliance served mainly to divert the world's attention from the reign of terror that Stalin visited upon his followers.

If Koch is right, then Münzenberg's reach extended to the recruiting of Whitaker Chambers by the Russians and to the founding and editing of the "Stalinoid" New York daily paper PM, every word of which in the paper's first months the author reasons was "approved

in advance" by Dashiell Hammett and Lillian Hellman. "either in New York or at Hellman's farm in Westchester County," Münzenberg's network even affected the behavior of Ernest Hemingway, John Dos Passos and Josephine Herbst in a treacherous incident during the Spanish Civil War.

But however far Münzenberg reached, his efforts were always supervised by Moscow, and contrary to the myth that the Comintern of the 1930s was more idealistic than the NKVD (later the KGB), his objectives were almost identical to those of Stalin's secret police. As Koch repeatedly argues, the point was always to divert the West's attention from Stalin's efforts to consolidate his power by whatever brutal means were required.

"Double Lives" does a remarkable job of knitting together an extensive gallery of portraits with some of the great events of this century. Koch, who is chairman of Columbia University's graduate program in creative writing and a film study, offers several surprising conclusions in his narrative. Among these are his insistence that Stalin was conspiring with Hitler at least six years before their nonaggression

pact was signed in 1939 and that Stalin's real purpose in the Spanish Civil War was not victory for the republic but to purge his enemies on the left and to placate Hitler by arranging for a fascist Spain to menace France and England.

Not the least of his book's curious insights is an account of the stance Stalinists in Hollywood assumed, as described by Münzenberg's widow, Babette Gross, who gave Koch extensive interviews in the summer of 1989. "You claim to be an independent-minded idealist. You don't really understand politics, but you think the little guy is getting a lousy break. You believe in open-mindedness. You are shocked, frightened by what is going on right here in our own country. You are frightened by the racism, by the oppression of the working man. You think the Russians are trying a great human experiment, and you hope it works. You believe in peace. You yearn for international understanding. You hate fascism. You think the capitalist system is corrupt."

Koch does pay a price for the intricacy of his narrative. His central image, which he mentions four times, is the thread that Ariadne gave Theseus to guide him out of the Cretan labyrinth, and in following its twisting path, he is often forced to jump from one subject to another.

Still, Koch's history remains riveting. He is particularly good at analyzing the culture of treason that Münzenberg became so adept at exploiting: the sabbotage of the Cambridge elite who thought betrayal meant distinction from the run of the mill, and the avant-garde culture in America that would do anything to escape the scorned middle class.

Christopher Lehmann-Haupt is on the staff of The New York Times.

## CHESS

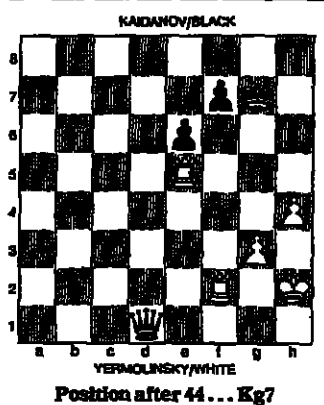
By Robert Byrne  
ALEX YERMOLINSKY met Gregory Kaidanov in Round 2 in the 1993 United States Championship.

The Anti-Meran Gambit in the Semi-Slav Defense, 5 Bg5, features the acceptance of a pawn by Black with 5...d5 and a return of the pawn by Black after 6 e4 b5? 7 e5 b6 8 Bb4 g5 9 Ng5 hg 10 Bg5. It is dubious for Black to recover his material with 10...Bc7 since 11 e4 Bf6 Bf6 Qf6 13 g3 Bb7 14 Bg2 Na6 15 Nd4 Qe7 16 Q-O-O-Q-O 17 a4 gives White attacking chances.

Black's aim is dynamic counter-attack in the center and on the queenside. Hurrying it with 12...c5, however, is dangerous as indicated by the possibility of 13 d5 Nf6 14 de? Bb1 15 e7? Qd7 16 Qd7 Nd7 17 Nb5 Be7? 18 fe f6 19 Be3? Ke7 20 h4 Bf3? 21 Bc4 Rb8 22 Re1, which gives White the upper hand.

While 14...Ne5? creates a threat of 15...Nd3, as well as 15...Qd4, it is known that 15 de? is a queen sacrifice trick to meet. After 15...Rd1 16 Rd1, the outcome is unclear, yet White does well on the few occasions that this comes up.

It is not known whether Black has ever ventured 18...Qa2, but it is improbable that he could survive an attack such as 19 Ng5 Qb2 20 Nf7 Rg8 21 Bh3 c3 22 Be6 Ke7 23 Rb1 Qe2 (23...Qa3? 24 Ra1) Qe2 25 Ra2 traps the queen) 24 Nd6



Position after 44...Kxg7

Rb8 25 Rb4 Bd6 (25...Bc6? walks into 26 Ne8 Kd8 27 Rb8 Bc8 28 Rb8 mate) 26 de Kd8 27 Bc4 Qa4 28 Rb1 c2 29 Rb7 Ka8 30 Ka8 Rb8! Rb8 31 Rb8 Kd8 32 d7 Kb7 33 d8/Q.

Kaidanov was counting on 18...c3 for quick counterplay on the queen's wing. After 19 fe Bc6 20 cb Bb4 21 a3! Bc3 (21...Qa2? 22 Ra1 Qd3 23 Rd1 Qa4 24 Rd1 Qb5 25 Bf1 costs Black decisive material) 22 Rf1 Bc3 23 Nd6 Bd6 24 de, the white rooks had squirmed away from the pressure of the black bishop, and Yermolinsky had gotten a nice passed pawn.

After 31 b4, Yermolinsky was reading 32 Kh2 followed by 33

Bo6, so Kaidanov rushed with 31...Re3 32 fe Qd4 33 Kh2 Qe5. After 34 Bc6 Bc5 35 Re3 Qf6 36 Re6? Kd6 37 Ra2 Ke7 38 Re6 Qf1 39 Re6, the white rooks were stronger than the black queen in the end game.

Kaidanov's passive play was ruined by Yermolinsky's 45 Re5! Kf8 46 Rg6! threatening 47 Rg6! After 58 Kg5, there was no perpetual check: 58...Qd6 59 Rf6 Qd3 60 Kh6 Qd2 61 g5 decisively threatens 62 Re8 Kf7 63 R6e7 mate. Kaidanov gave up.

SLAV DEFENSE

White	Black	White	Black
1 d4	d5	20 Re3	Qb4
2 c4	c6	21 Bc3	Qb4
3 Nf3	c5	22 Bc3	Qb4
4 e3	c4	23 Bc3	Qb4
5 Bg5	b5	24 Bc3	Qb4
6 e4	b6	25 Bc3	Qb4
7 e5	b7	26 Bc3	Qb4
8 Bb4	b8	27 Bc3	Qb4
9 Ng5	b9	28 Bc3	Qb4
10 Bg5	b10	29 Bc3	Qb4
11 h4	b11	30 Bc3	Qb4
12 Bc4	b12	31 Bc3	Qb4
13 d5	b13	32 Bc3	Qb4
14 de?	b14	33 Bc3	Qb4
15 e7?	b15	34 Bc3	Qb4
16 Qd7	b16	35 Bc3	Qb4
17 Nb5	b17	36 Bc3	Qb4
18 fe	b18	37 Bc3	Qb4
19 Be3?	b19	38 Bc3	Qb4
20 h4	b20	39 Bc3	Qb4
21 Bc4	b21	40 Bc3	Qb4
22 Re1	b22	41 Bc3	Qb4
23 Bc3	b23	42 Bc3	Qb4
24 Bc3	b24	43 Bc3	Qb4
25 Bc3	b25	44 Bc3	Qb4
26 Bc3	b26	45 Bc3	Qb4
27 Bc3	b27	46 Bc3	Qb4
28 Bc3	b28	47 Bc3	Qb4
29 Bc3	b29	48 Bc3	Qb4
30 Bc3	b30	49 Bc3	Qb4
31 Bc3	b31	50 Bc3	Qb4
32 Bc3	b32	51 Bc3	Qb4
33 Bc3	b33	52 Bc3	Qb4
34 Bc3	b34	53 Bc3	Qb4
35 Bc3	b35	54 Bc3	Qb4
36 Bc3	b36	55 Bc3	Qb4
37 Bc3	b37	56 Bc3	Qb4
38 Bc3	b38	57 Bc3	Qb4
39 Bc3	b39	58 Bc3	Qb4
40 Bc3	b40	59 Bc3	Qb4
41 Bc3	b41	60 Bc3	Qb4
42 Bc3	b42	61 Bc3	Qb4
43 Bc3	b43	62 Bc3	Qb4
44 Bc3	b44	63 Bc3	Qb4
45 Bc3	b45	64 Bc3	Qb4
46 Bc3	b46	65 Bc3	Qb4
47 Bc3	b47	66 Bc3	Qb4
48 Bc3	b48	67 Bc3	Qb4
49 Bc3	b49	68 Bc3	Qb4
50 Bc3	b50	69 Bc3	Qb4
51 Bc3	b51	70 Bc3	Qb4
52 Bc3	b52	71 Bc3	Qb4
53 Bc3	b53	72 Bc3	Qb4
54 Bc3	b54	73 Bc3	Qb4
55 Bc3	b55	74 Bc3	Qb4
56 Bc3	b56	75 Bc3	Qb4
57 Bc3	b57	76 Bc3	Qb4
58 Bc3	b58	77 Bc3	Qb4
59 Bc3	b59	78 Bc3	Qb4
60 Bc3	b60	79 Bc3	Qb4
61 Bc3	b61	80 Bc3	Qb4
62 Bc3	b62	81 Bc3	Qb4
63 Bc3	b63	82 Bc3	Qb4
64 Bc3	b64	83 Bc3	Qb4
65 Bc3	b65	84 Bc3	Qb4
66 Bc3	b66	85 Bc3	Qb4
67 Bc3	b67	86 Bc3	Qb4
68 Bc3	b68	87 Bc3	Qb4
69 Bc3	b69	88 Bc3	Qb4
70 Bc3	b70	89 Bc3	Qb4
71 Bc3	b71	90 Bc3	Qb4
72 Bc3	b72	91 Bc3	Qb4
73 Bc3	b73	92 Bc3	Qb4
74 Bc3	b74	93 Bc3	Qb4
75 Bc3	b75	94 Bc3	Qb4
76 Bc3	b76	95 Bc3	Qb4
77 Bc3	b77	96 Bc3	Qb4
78 Bc3	b78	97 Bc3	Qb4
79 Bc3	b79	98 Bc3	Qb4
80 Bc3	b80	99 Bc3	Qb4
81 Bc3	b81	100 Bc3	Qb4

## By Watelet, A Debut in Two Colors

International Herald Tribune

**P**ARIS — It was an impressive debut, when Gerald Watelet showed his clothes after Yves Saint Laurent and Valentino at the end of the high-fashion season.

The 30-year-old Belgian designer concentrated on cut, giving a youthful spin to classic double-faced wools and crisp silks by inserting blocks of contrasting colors. The bicolor theme came top on shapely crepe dresses and short swing coats, always with a body-conscious silhouette.

Hemlines were short and sexy, and although these were not clothes to change the direction of fashion, they had a freshness and stylishness that would appeal to a young clientele that was well-heeled — but not platform-soled.

The young Italian designer Luisa Beccaria took a different tack, showing romantic clothes, dripping in nostalgia and old lace. They sometimes created pretty pictures from some lost age of innocence, but lacked a decisive cut to project them into the modern world.

S. M.

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Austria	001-681-677	+ Costa Rica	163	+ Ireland	1-800-55-2001	+ Netherlands	00-022-9189	+ St. Lucia	00-800-877-0000	+ United Kingdom	0000-800-877
Bahamas	1-800-389-2111	+ Cyprus	080-900-01	+ Israel	177-202-2727	+ Netherlands Antilles	001-800-745-1111	+ St. Vincent	00-800-877-0000	+ U.S.A.	1-800-877-0000
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Brazil	001-433-3333	+ Dominican Republic	1-800-751-7777	+ Korea	0066-0-55-877	+ Norway	000-461	+ Thailand	001-999-13-877	+ Venezuela	000-417
British Virgin Isl.	1-800-877-0000	+ Ecuador	171	+ Kenya	0000-12	+ Panama	000-461	+ Trinidad & Tobago	0000-1-4477	+ Venezuela	000-417
Cambodia (Phnom Penh)	001-433-3333	+ El Salvador	191	+ Korea	0000-12	+ Paraguay	000-461	+ United Kingdom	0000-800-877	+ Venezuela	000-417
Canada	1-800-877-0000	+ Finland	0000-4-0284	+ Korea	0000-12	+ Peru	000-461	+ U.S.A.	1-800-877-0000	+ Venezuela	000-417
		+ France	19-0087	+ Korea	0000-12	+ Philippines	000-461	+ U.S. Virgin Islands	1-800-877-0000	+ Venezuela	000-417
		+ Germany	0030-0013	+ Korea	0000-12	+ Singapore	000-461	+ U.S. Virgin Islands	1-800-877-0000	+ Venezuela	000-417
		+ Greece	0000-401-011	+ Kuwait	000-777	+ South Africa	000-461	+ U.S. Virgin Islands	1-800-877-0000	+ Venezuela	000-417
		+ Guatemala	195	+ Liechtenstein	005-777	+ Spain	000-461	+ U.S. Virgin Islands	1-800-877-0000	+ Venezuela	000-417
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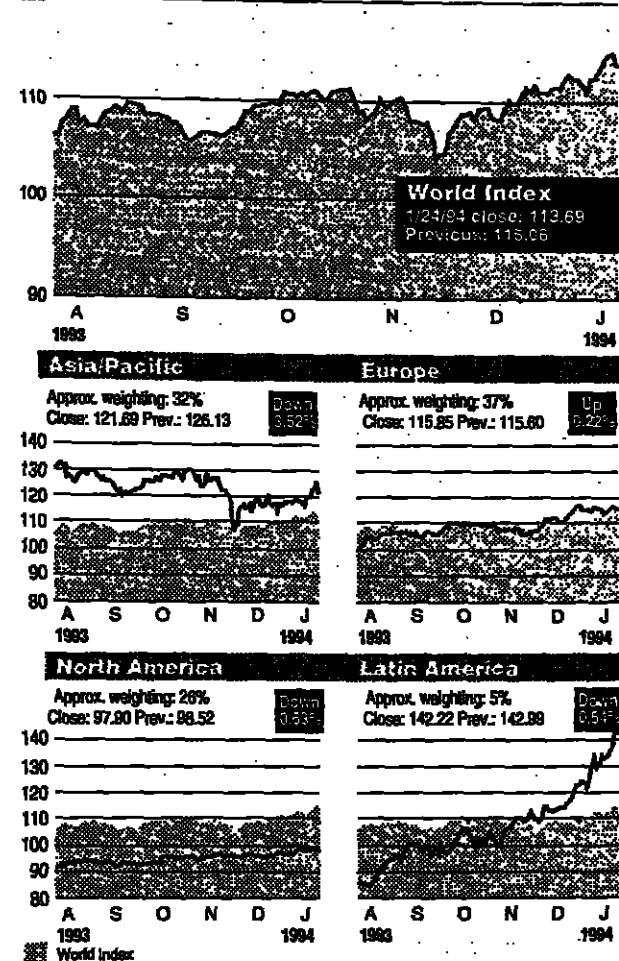
# BUSINESS

International Herald Tribune, Tuesday, January 25, 1994

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Utilities	122.70	125.01	-1.85	Raw Materials	120.00	120.23	-0.19
Finance	116.49	119.54	-2.60	Consumer Goods	99.44	100.16	-0.72
Services	122.75	123.04	-0.24	Miscellaneous	139.71	139.31	+0.29

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## Alliances 'Not Vital' For SAS

**CEO Aims to Shed Noncore Business**

Compiled by Our Staff From Dispatches  
**STOCKHOLM**—Scandinavian Airlines System's new chief executive pledged on Monday to take the company back to basics and discard unprofitable activities, saying the carrier could prosper without further alliances.

Jan Stenberg, 54, who will take over as president and chief executive on April 1, held open the door to alliances but said they were not vital to SAS's survival.

He also said a restructuring plan initiated in November was "tough" but "credible" and that he believed it might be possible to speed it up. Mr. Stenberg, deputy managing director of L. M. Ericsson AB, was named to head the airline on Monday. He will replace Jan Reinas, who has been acting president since September when Jan Carlzon resigned to pursue a merger with Swissair, KLM Royal Dutch Airlines and Austrian Airlines.

After the collapse of the project in November, SAS said it would either have to find a new partner or resign itself to becoming a feeder airline. But Mr. Stenberg said on Monday that "there are probably in-between and SAS is typically just that bit smaller, just beneath the bracket of the very big" European airlines.

He said he was confident that SAS could continue "if appropriate" on its own without simply being downgraded to a local feeder. "We will continue to seek cooperation with other carriers," Mr. Stenberg said, "but we don't want to bind ourselves by saying in what form, or when."

Asked if SAS, which diversified into related services such as hotels and catering during the boom years of the 1980s, would now concentrate on its core business, Mr. Stenberg said: "Yes. That is the strategy of the board."

In November, SAS posted a pre-tax loss of 1.13 billion Swedish kronor (\$138.6 million) for the first nine months. (Reuters, Bloomberg)

## Airline Pricing Takes Off

**Fare System Spreads to Other Industries**

By Adam Bryant

**NEW YORK**—For consumers who pride themselves on knowing where the best buys are and how much to pay for them, life is becoming complicated.

The same thinking that created airline fares that seem to change daily from one day to the next is spreading. Businesses from cruise lines to hotels are taking a page from the airlines' playbook and using powerful computer technology to set prices based on the up-to-the-minute demand for their products.

This digital upgrade of the law of supply and demand means that the cost of renting a truck from Ryder System Inc. could rise and fall by more than \$200, or the price of a cruise on the same ship could change by \$1,000 on the same day for the same type of cabin. People who stay at Sheraton hotels can save from 5 percent to 30 percent on the cost of a room by booking 14 days in advance.

For these companies and others, computer software holds the promise of increasing their profits by allowing them to price their products much more efficiently.

But what companies may gain on the one hand they may lose on the other. "I don't like it at all," said Carol Christian of Katonah County, New York, who flies frequently on her job as a training consultant. "It causes consumers a lot of unnecessary stress because you always have the sense that you didn't get the best deal, and it puts an awful burden on you to get the right information."

Al Ries, a marketing specialist in Greenwich, Connecticut, said that whenever companies offered more than one price, customers typically assumed that everything above the lowest price was intended to gouge them.

"You undermine your goodwill," Mr. Ries said.

Airline executives acknowledged that many customers resent their pricing systems, where a round-trip ticket from New York to Los Angeles can cost from \$400 to \$1,400. They said legions of travelers scour the airlines' reservation systems for loopholes with a fervor they typically reserve for tax time.

Some companies that are buying the airlines' pricing technology have tried to avoid the carriers' mistakes by, among other things, limiting the size of price swings.

"Fortunately, I think the airlines bore the brunt of having to re-educate consumers," said Andy

**Some companies buying the pricing technology have sought to retain customer goodwill by limiting the size of price swings.**

Anderson, director of operations and support services for Ryder's consumer truck rental division. When France's railroad system started using computers last year to set prices by demand rather than by distance, the complexity of the new fare structure and the additional time required to issue tickets prompted complaints from travelers and travel agents.

Elsewhere, however, AMR Corp., the parent of American Airlines, which helped the French railroad, seems to be having better luck introducing the technology. Its subsidiary American Airlines Decision Technologies has about 110 clients, with about 35 signed up since 1988 for help in managing capacity and prices.

They include travel and tourism companies like

## Boeing Expects Sales to Keep Sliding in '94

Compiled by Our Staff From Dispatches

**SEATTLE**—Boeing Co. reported on Monday that its revenue dropped precipitously last year, and forecast the slide would go on in 1994 as a result of the airline industry's slump.

The big maker of commercial jetliners, reporting its financial results for the final three months of 1993 and for the calendar year, said its net earnings dropped 14.8 percent in the quarter, to \$304 million, from \$357 million a year earlier.

The most recent quarter's earnings worked out to 89 cents a share, down from \$1.05 a share in the year-earlier quarter but better than the 83 cents a share that market analysts had expected, on average. As a result, the company's stock fell only moderately, losing 75 cents a share, to close at \$44.375, on the New York Stock Exchange.

Sales in the final quarter of 1993 dropped 24.5 percent, to \$5.66 billion, bringing revenue for the year to \$25.44 billion, off 15.7 percent.

Boeing also said it expected 1994 revenue to drop by as much as 20 percent from the 1993 figure, to between \$20 billion and \$21 billion. It forecast that sales would pick up in mid-1995, once the company begins shipping its new 777-series jetliners. Net earnings for full-year 1993 dropped to \$1.24 billion, or \$3.66

per share, compared with \$1.55 billion, or \$4.57 per share, in 1992 before a charge for retiree health benefits. After the charge, 1992 earnings were \$552 million, or \$1.62 per share.

High development costs for the 777 program and reduced investment income were other factors hurting 1993 earnings, the company said. The 777 is to undergo its first test flight this summer.

Boeing said its research expense would rise in 1994 from 1993's level of \$1.661 billion.

David Pizzimenti, an analyst at Nomura Research Institute, cited the expected high level of R&D spending this year in cutting his earnings per share forecast to between \$2.10 and \$2.15, from \$2.35. He noted that demand for new civilian aircraft remains weak because of overcapacity.

Wolfgang Demisch, an analyst at Bankers Trust, cut his 1994 forecast for earnings per share to around \$2.20 from \$2.40.

Boeing said production was expected to drop to 18.3 jetliners per month in the first quarter of 1995, from a peak of 39.5 in 1992. But it said it was "well-positioned for the next growth cycle in the commercial jet transport market." (Bloomberg, AFX, Reuters, Knight-Ridder)

## Australian Insurer Is Hamstrung in Hong Kong

By Kevin Murphy

**HONG KONG**—Accusing rivals of mounting a smear campaign against it, the life insurer National Mutual Asia Ltd. scrambled Monday to keep intact a sales force that has helped make it a leader in the industry's fastest growing market.

However, Top Glory Insurance said it planned to hire as many as 100 sales agents as possible from its Australian-controlled rival. Top Glory is a small company indirectly owned by a state-owned

Chinese food enterprise and a Hong Kong company led by Francis Yuen, the former chief executive of the colony's stock exchange.

The developments appear to make likely a clash between one of the most successful Hong Kong-listed subsidiaries of a large Western company and a group that boasts some of the biggest names in the new Hong Kong business establishment.

The surprise resignation Thursday by the company's chief executive, Andrew Yang, sparked a two-day, 24 percent dive in National Mutual Asia's share price when investors learned that a third of the company's sales force might follow.

As Western insurers focus on Asia, particularly Hong Kong, to expand among the region's rising middle classes, qualified sales forces have become the key to rapid growth and a target for poaching by newcomers.

"An agent sales force is everything in this business," said Steven Li, an analyst with Jardine Fleming

Broking Ltd. "You can't grow sales premiums without increasing your sales force and, in general, when agents leave, policyholders often go with them."

National Mutual Asia, a subsidiary of Australia's National Mutual Life, admitted the partial loss of its sales force "may result in a decrease in the amount of new business being written" and threatened legal action against Mr. Yang.

National Mutual Asia, which has more than 3,000 agents, controls about 30 percent of the Hong Kong market for life insurance.

While National Mutual Asia said a campaign aimed at damaging its reputation and its attractiveness as an employer has been under way for several weeks, and that it had fired a number of executives it described as "ring leaders," it refused to name its rival.

Mr. Yuen, the chief executive of Singapore-listed Summa Investments, which in turn owns Top Glory Insurance, told Bloomberg Business News it was coincidental

that his company had placed advertisements seeking new agents in local newspapers the day after Mr. Yang resigned.

"We want to establish a base in Hong Kong but the big potential market is in China," Mr. Yuen said, according to Bloomberg.

Top Glory's expansion will be helped by influential owners that include Seabase International Holdings and Mr. Yuen's Seapower Resources International, according to Bloomberg.

While National Mutual Asia's share price halted its slide Monday, gaining 15 cents to close at 5.35 Hong Kong dollars, analysts and industry observers said the key to its future performance lay in management's ability to rally its sales force and stall the departure of those who hope to join a rival.

"This is a very important event in the development of the Asian insurance markets," said the managing director of one of the foreign companies that dominate the Hong Kong market. "We're probably go-

ing to see more events like it. More and more international groups want to get into these markets, and the people to sell the policies just aren't there."

In Hong Kong it has been estimated that premiums of more than 10 billion Hong Kong dollars (\$1.3 billion) were collected in 1992 from only one third of the potential 2.5 million customers.

Annual premiums two years ago were about 3,700 Hong Kong dollars, about 6 percent of the average person's income. Analysts said agents now believed their target should be 10 percent.

Further afield, the potential for growth is higher still. Japanese life insurance in the early 1990s enjoyed average premiums per capita of \$1,620. South Korea came next with \$412, Taiwan had \$215 and Singapore \$178.

But the greatest expansion appears possible in Malaysia, where per capita premiums equaled \$299, with Thailand at \$215, the Philippines at \$8 and Indonesia at \$1.

## Thinking Ahead

### Let Japan Change at Its Own Pace

By Reginald Dale

**WASHINGTON**—Are the Japanese different? Does their unique economic system give them an unfair advantage over Western competitors? Do they need cruel and unusual trade treatment to whip them into line?

President Bill Clinton's aggressive trade policy toward Japan assumes that the answer to these questions is "yes." The idea is that Japan's economic philosophy is so far removed from that of other countries, so impervious to Western open-market concepts, that the only answer is to rig the rules against Japan through import quotas and managed trade.

Japan, in other words, must be forced to become a normal country.

Ahead of Mr. Clinton's meeting with Prime Minister Morihiro Hosokawa in Washington next month, U.S. officials are trying to browbeat a bitterly reluctant Japan into agreeing to such an approach. But the premises on which the approach is based are eroding.

Of course Japan is different, but it is rapidly becoming less so. Indeed, according to two new assessments by American specialists, Japan is getting more and more like America—perhaps more so than it wants. With luck, that should in turn make Americans less paranoid about Japan.

Frederick L. Schott has acquired a deep knowledge of Japan, working, as he puts it, "on the front lines of communications between Japan and America," as a writer and interpreter.

In his book "America and the Four Japanese," he said the Japanese, particularly the younger generation, are starting to think and

even look like Americans. "The Japanese mind is being Americanized," he said.

What is more, he observed, Japan is beginning to be touched by some of the worst aspects of American society, including drugs, juvenile delinquency, a waning work ethic, an overemphasis on consumption and falling literacy among the young. Even Japan's cherished racial homogeneity is fraying.

The economy, too, is fast losing its uniqueness, according to Gary R. Saxonhouse, a professor at the University of Michigan, who maintains that Japan's days as an unrivaled economic superpower are over.

Japan's annual economic growth rate, he

**The country is already becoming more Western; there's no need to mete out cruel and unusual trade treatment.**

said, after peaking at 12 percent in the early 1970s, is in a slide that could soon end with it settling at the much lower levels of the other advanced industrial countries. If and when that happens, Japan's share of global output will also stop rising and probably start to fall.

"While the emergence of Japan as a new economic power seems very recent, Japan may never be much more important relatively speaking than it is today," Mr. Saxonhouse wrote in International Economic Insights magazine. "Most assuredly, Japan is in long-term structural decline."

Mr. Saxonhouse said Japan was so close to the technological frontier that it was losing the "latecomer benefits" it enjoyed for much of the postwar period. It is much easier to grow fast when you are racing to catch up with your rivals, the argument runs; after you have caught them, the way ahead suddenly becomes much harder.

Japan's financial system is already looking more like that of the United States, with Japanese companies increasingly issuing securities to raise money, rather than going to the bank. As a result, Mr. Saxonhouse said, profits will displace market share as the watchword for Japanese business.

To get on of its economic difficulties, Japan will have to move further in the Western direction, deregulating its economy and giving consumers greater power, not least through cuts in income tax, as the United States has long urged. In that sense, Japan's new leaders increasingly accept that the country must become more normal.

The aging of the population will hasten the process. By early next century, both the country's labor supply and its vaunted savings rate will start to slide.

That means that in the coming years Japan is going to spend more, import more and export relatively less than it does now. The problem of the seemingly intractable Japanese trade surplus will, in Mr. Saxonhouse's words, "diminish if not evaporate."

So it makes even less sense for Washington to try to press Japan into the American mold by brute force. Of course, there is plenty of room for improvement in Japan's trade practices. But Japan is not quite so different, or quite such a threat, as many Americans still seem to think.

## CURRENCY & INTEREST RATES

Cross Rates Jan. 24									
	£	¥	DM	FF	Lira	₹	S. S.	₹	₹
Australia	1.60	105.00	1.60	1.60	1.60	1.60	1.60	1.60	1.60
Canada	1.25	80.00	1.25	1.25	1.25	1.25	1.25	1.25	1.25
France	1.66	105.00	1.66	1.66	1.66	1.66	1.66	1.66	1.66
Germany	1.66	105.00	1.66	1.66	1.66	1.66	1.66	1.66	1.66
Italy	1.93	120.00	1.93	1.93	1.93	1.93	1.93	1.93	1.93
Japan	1.00	100.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Netherlands	1.66	105.00	1.66	1.66	1.66	1.66	1.66	1.66	1.66
Portugal	200.48	120.00	200.48	200.48	200.48	200.48	200.48	200.48	200.48
Spain	166.64	120.00	166.64	166.64	166.64	166.64	166.64	166.64	166.64
Sweden	1.36	80.00	1.36	1.36	1.36	1.36	1.36	1.36	1.36
Switzerland	1.48	80.00	1.48	1.48	1.48	1.48	1.48	1.48	1.48
Taiwan	1.66	105.00	1.66	1.66	1.66	1.66	1.66	1.66	1.66
UK	1.00	100.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
US	1.00	100.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Eurocurrency Deposits Jan. 24									
	Dollar	DM	£	FF	₹	₹	₹	₹	₹
1 month	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
3 months	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
6 months	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
1 year	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00

Key Money Rates Jan. 24									
	US	UK	DM	FF	₹	₹	₹	₹	₹
3-month T-bill	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
3-month Govt bond	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
3-month Corp bond	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
3-month Int'l bond	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00

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## MARKET DIARY

## Interest-Rate Fears Pull Dow Off Highs

**Bloomberg Business News**

NEW YORK — U.S. stocks declined Monday amid concern about a rise in interest rates and a market slump in Japan.

The Dow Jones industrial average closed 1.69 points lower, at 3,912.79, after soaring 22.52 Friday to a record 3,914.48. The average hit a session high of 3,934.46 on Friday.

## N.Y. Stocks

Monday before a burst of computer-driven sell orders helped knock stock prices lower.

The slide in stock prices was triggered by concern about a rise in interest rates, as the yield on the 30-year Treasury bond climbed to 6.29 percent from a Monday low of 6.26 percent, analysts and fund managers said.

On the New York Stock Exchange, 10 common stocks were lower for every seven that rose. Trading was active, with about 296.9 million shares changing hands on the Big Board.

The decline in stocks was minimal compared with how well the market has done this year. The Dow industrials have climbed 11 of the past

16 trading sessions, up almost 5 percent since the start of the year.

Japan's Nikkei 225 index lost almost 5 percent of its value overnight, falling 954.19 points, to 18,353.24.

"The political turmoil in Japan merely adds to a list of potential problems we see buffeting the U.S. stock market in the first quarter," said Gail Dudack, market strategist at S.G. Warburg & Co.

Other problems, she cited as increasing odds that corporate profits would fall below analysts' expectations and the possibility that interest rates will rise as commodity prices move higher.

So far this month, companies are reporting fourth-quarter earnings above expectations, said Don Hays, director of investment strategy at Wheat First Butcher & Singer.

Shares of International Business Machines Corp., Caterpillar Inc. and Apple Computer Inc. were among those that rallied on optimism about the earnings outlook.

IBM shares gained 3 1/2 to \$84, amid expectations the company would unveil its first profitable quarter in a year when it releases its latest financial results Tuesday.

## Views Diverge Sharply On Yen/Dollar's Path

**Bloomberg Business News**

NEW YORK — The dollar slipped against European currencies on Monday, but rose a little against the yen despite concern about trade relations between the United States and Japan.

The dollar closed at 111.650 yen, up from 111.60 yen at Friday's close.

The U.S. currency fell to 1.7511 Deutsche marks from 1.7542 DM.

**Foreign Exchange**

to 5.9425 French francs from 5.9565 francs and to 1.4668 Swiss francs from 1.4685 francs. The pound rose to \$1.4945 from \$1.4927.

Treasury Secretary Lloyd Bentsen said Sunday in Tokyo that the United States would take other measures to curb Japan's swelling trade surplus if negotiations with Japan, unsuccessful so far, prove fruitless.

Some market participants say, on the basis of such talk, that the yen will strengthen as the United States, impatient with the slow pace of trade talks, pressures the crippled Japanese government with talk of a stronger yen. Other traders say the yen will weaken as Japan's political crisis deepens and plans to spur the economy are delayed.

"People are trading the trade

war," said Lisa Finstrom, currency analyst at Smith Barney Shearson, pointing to sales of dollars for yen.

"A weak economy spells trouble on the trade front," she said. "Until the Japanese economy picks up, import demand will be slack."

Strange as it may seem, the dollar probably won't rise beyond 113 yen until Japan starts to recover, she said.

But earlier trading in Tokyo pointed to a weaker yen. The dollar rose to an 11-day high of 112.47 yen there, buoyed by speculation that the government of Prime Minister Morihiro Hosokawa could topple.

"Hosokawa is on thin ice," said David De Rosa, director of foreign-exchange trading at Swiss Bank Corp. in New York.

The dollar slipped against the mark amid tough talk from the Bundesbank on the health of the German currency.

A Bundesbank council member, Edgar Meister, said the mark's stability was a priority and that attempts to revive Germany's flagging economy with large interest-rate cuts were "doomed to failure."

The mark has fallen almost 10 percent against the dollar since mid-October. Traders suspect that the Bundesbank has been selling dollars in recent weeks to stem the slide.

## The Dow

Daily closings of the Dow Jones Industrial Average



## NYSE Most Active

Vol.	High	Low	Last	Chg.
IBM	84.00	83.00	83.50	-0.50
Apple	75.00	74.00	74.50	-0.50
Microsoft	65.00	64.00	64.50	-0.50
Oracle	55.00	54.00	54.50	-0.50
Novell	45.00	44.00	44.50	-0.50
Unisys	35.00	34.00	34.50	-0.50
Wang	25.00	24.00	24.50	-0.50
Compaq	15.00	14.00	14.50	-0.50
HP	10.00	9.00	9.50	-0.50
Intel	5.00	4.00	4.50	-0.50

## AMEX Most Active

Vol.	High	Low	Last	Chg.
Goldman Sachs	100.00	99.00	99.50	-0.50
JP Morgan	90.00	89.00	89.50	-0.50
Citigroup	80.00	79.00	79.50	-0.50
Bank of America	70.00	69.00	69.50	-0.50
Wells Fargo	60.00	59.00	59.50	-0.50
US Bancorp	50.00	49.00	49.50	-0.50
Fifth Third	40.00	39.00	39.50	-0.50
First Union	30.00	29.00	29.50	-0.50
Bank One	20.00	19.00	19.50	-0.50
Capital One	10.00	9.00	9.50	-0.50

## NYSE Diary

Adv.	Decl.	Unch.
1,234	567	123
1,234	567	123
1,234	567	123

## Amex Diary

Adv.	Decl.	Unch.
1,234	567	123
1,234	567	123
1,234	567	123

## NASDAQ Diary

Adv.	Decl.	Unch.
1,234	567	123
1,234	567	123
1,234	567	123

## Dow Jones Averages

Open	High	Low	Close	Chg.
3,912.79	3,934.46	3,912.79	3,912.79	-1.69
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31

## Standard &amp; Poor's Index

Open	High	Low	Close	Chg.
557.7	567.7	557.7	557.7	-2.9
557.7	567.7	557.7	557.7	-2.9
557.7	567.7	557.7	557.7	-2.9

## NYSE Indexes

Open	High	Low	Close	Chg.
3,912.79	3,934.46	3,912.79	3,912.79	-1.69
3,912.79	3,934.46	3,912.79	3,912.79	-1.69
3,912.79	3,934.46	3,912.79	3,912.79	-1.69

## NASDAQ Indexes

Open	High	Low	Close	Chg.
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31

## AMEX Stock Index

Open	High	Low	Close	Chg.
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31

## Dow Jones Bond Averages

Open	High	Low	Close	Chg.
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31

## Market Sales

Open	High	Low	Close	Chg.
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31

## S&amp;P 100 Index Options

Open	High	Low	Close	Chg.
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31

## NASDAQ Options

Open	High	Low	Close	Chg.
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31

## PRICE: Air-Fare System Moves to Other Industries

Continued from Page 9

Hilton Hotels Corp., Royal Caribbean Cruise Lines, Avis Inc. and Amtrak.

AMR competes with a number of other companies in this emerging field, which is estimated to generate \$50 million a year overall in revenues. They include Behavormatics Inc. of College Park, Maryland, Arthur D. Little of Cam-

bridge, Massachusetts, and Decision Focus Inc. in Mountain View, California.

At the Ryder truck rental company, which replaced five full-time prices with the computer technology in 1992, the spread from lowest to its highest rate is no more than 20 percent.

Before the switch, Ryder typically charged rates once a month and

then mailed out a new rate sheet to dealers.

Now Ryder reissues its prices almost daily and keeps hundreds of millions of rates in its system based on trip origins and destinations, as well as a multilateral producers' meeting in Brussels last week under which Russia would cut production.

(Reuters, Bloomberg)

## Aluminum Up on Report

Compiled by Our Staff From Dispatches

LONDON — Aluminum prices rose Monday in trading on the London Metal Exchange, with three-month aluminum climbing to \$1,190 per ton from \$1,180 on Friday. A U.S. trade official, speaking on condition of anonymity, said a draft agreement had been reached at a multilateral producers' meeting in Brussels last week under which Russia would cut production.

## U.S./AT THE CLOSE

## American Express to Shed Lehman

NEW YORK (Bloomberg) — American Express Co. said Monday it would spin off Lehman Brothers Holdings Inc., the third-largest U.S. securities house, to its shareholders and the firm's employees.

American Express said the move would allow it to concentrate on its central businesses of charge cards, travel services, asset management, financial planning and international banking. Lehman will become an independent company in the second quarter.

American Express Co. also said Monday that its fourth-quarter earnings rose almost fivefold from the same period last year. The company said its profits surged to \$399 million, or 78 cents a share, from \$82 million, or 15 cents a share, during the last quarter of 1992.

## Boom Days at 3 Brokerage Houses

NEW YORK (Combined Dispatches) — Three major brokerage houses — PaineWebber Group Inc., Merrill Lynch & Co. and Smith Barney Shearson — on Monday announced substantial gains in the fourth quarter. The advances reflected the recent strength in the stock market and falling interest rates.

PaineWebber reported a 37 percent jump in its fourth-quarter profit as well as record 1993 earnings. It said it earned \$56.87 million, or 78 cents a share, for the three months ended Dec. 31, up from \$41.42 million, or 78 cents a share, in the like period a year ago. Quarterly revenue rose nearly 29 percent to \$1.07 billion from \$836.03 million. For 1993, the company's net income totaled \$246.18 million, or \$4.66 a share, compared with the previous year's \$213.17 million, or \$3.56 a share. Revenue reached \$4 billion, up from \$3.36 billion in 1992.

Merrill Lynch, the nation's largest securities firm, said its fourth-quarter earnings surged 57 percent. It said its profits rose to \$347 million, or \$1.53 a share, from \$221 million, or 99 cents a share, a year ago. The earnings reflect a two-for-one stock split in October.

The Travelers Inc.'s Smith Barney Shearson brokerage unit performed better than analysts expected in the fourth quarter, earning \$145.1 million compared with \$34.9 million a year ago. (Bloomberg, AP, Knight-Ridder)

## Nynex Says It Will Cut 16,800 Jobs

NEW YORK (Knight-Ridder) — Nynex Corp. said Monday it would reduce its work force by 16,800 employees by the end of 1996. At the end of the 1993 third quarter, Nynex's work force numbered about 79,400, a spokesman said. About a third of the job cuts will occur this year, with another third to follow in 1995 and the rest in 1996, the spokesman said.

Nynex reported it took after-tax charges of \$1.4 billion, or \$3.95 per share, for the fourth quarter of \$1.24 billion, compared with year-ago quarterly results of \$324.2 million. For all of 1993, Nynex reported a net loss of \$394.1 million, compared with 1992 net income of \$1.31 billion.

## Texaco Profits Rose 8.3% in Quarter

NEW YORK (Combined Dispatches) — Texaco's fourth-quarter profits were up 8.3 percent, to \$339 million, or \$1.25 a share, from \$313 million, or \$1.22 a share, a year earlier. But the rise was due to asset sales, and declining oil prices pushed profit from continuing operations down to \$284 million from \$428 million a year earlier.

Quarterly sales for the fourth-quarter of \$9.4 billion dropped 9.6 percent to \$8.7 billion from \$9.4 billion a year before. In 1993, net profit rose to \$1.06 billion, or \$4.47 a share, from \$712 million, or \$3.63 a share, in 1992. (Bloomberg, AFP)

## Reynolds Is Hit by Aluminum Glut

RICHMOND, Virginia (AP) — Reynolds Metals Co. on Monday reported a fourth-quarter loss of \$238.6 million, reflecting a global surplus of aluminum that has driven prices sharply lower.

The net loss for the period ended Dec. 31, which came to \$3.98 a share, narrowed substantially from a loss of \$152.1 million, or \$2.55 a share, in the year-ago quarter. The latest loss included an after-tax charge of \$219.5 million, set aside for restructuring costs that include eliminating several metal-making operations.

## Weekend Box Office

LOS ANGELES — "Philadelphia" topped the weekend box office, earning an estimated \$9.1 million. Following are the Top 10 money-makers based on Friday ticket sales and estimated sales for Saturday and Sunday.

Rank	Title	Friday	Saturday	Sunday	Weekend
1	"Philadelphia"	\$9.1 million	\$9.1 million	\$9.1 million	\$27.3 million
2	"The Untouchables"	\$8.1 million	\$8.1 million	\$8.1 million	\$24.3 million
3	"The Untouchables"	\$7.1 million	\$7.1 million	\$7.1 million	\$21.3 million
4	"The Untouchables"	\$6.1 million	\$6.1 million	\$6.1 million	\$18.3 million
5	"The Untouchables"	\$5.1 million	\$5.1 million	\$5.1 million	\$15.3 million
6	"The Untouchables"	\$4.1 million	\$4.1 million	\$4.1 million	\$12.3 million
7	"The Untouchables"	\$3.1 million	\$3.1 million	\$3.1 million	\$9.3 million
8	"The Untouchables"	\$2.1 million	\$2.1 million	\$2.1 million	\$6.3 million
9	"The Untouchables"	\$1.1 million	\$1.1 million	\$1.1 million	\$3.3 million
10	"The Untouchables"	\$0.1 million	\$0.1 million	\$0.1 million	\$0.3 million

## WORLD STOCK MARKETS

Agence France Presse Jan. 24

## Amsterdam

Open	High	Low	Close	Chg.
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31

## Brussels

Open	High	Low	Close	Chg.
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31

## Frankfurt

Open	High	Low	Close	Chg.
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31

## Helsinki

Open	High	Low	Close	Chg.
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31

## Hong Kong

Open	High	Low	Close	Chg.
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31

## Johannesburg

Open	High	Low	Close	Chg.
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31
1,117.19	1,128.77	1,117.19	1,117.19	-0.31

## London

D1 Database	248	244.30		
Deutsche Bank	791.50	799		
Dow Jones	10,100	10,100		
Dresdner Bank	417	415		
Ecomühle	325	327		
F. Krupp Hoechst	167.50	172		
Harpenner	312.50	319.50		
Henkel	429	428.50		
Hochtief	120	121.5		
Hofbrau	172	169.50		
Allied Lyons	1.56	1.56		
Arto Wiegara	1.75	1.75		
Borsse	1.83	1.83		
Asa Brh Foods	1.75	1.75		
BAA	10.25	10.25		
B.Ae	1.45	1.45		
Bank Scotland	2.47	2.47		
Barclays	1.29	1.29		
Bor Group	2.28	2.28		
BAL	1.75	1.75		



**Bloomberg Business News**

Last Thursday, the Bundesbank lowered banks' minimum reserve requirements to 5 percent of sight deposits, which include low-interest-bearing checking and savings

*Compiled by Our Staff From Dispatches*

Under the plan, the publisher of El Pais and the owner of La Republica would raise their combined holding, now just under 37 percent, to above 50 percent. But Mirror Group, expected to have about 40 percent, would renounce the right to vote on the hiring and firing of editors. (AP Reuters)

## Bloomberg Business News

Airline industry experts said that Mr. Bisignani had done a good job in cutting losses, and that Alitalia's problems were largely out-

Mr. Bisignani has done much to slash costs at Alitalia, analysts say. He upgraded the

said, the airline may be next in line to get Prodi treatment.

...crisis for cutting losses. In 1990

## ent: Blacker T

By Alan Friedman

"discouraged" workers, meaning those people who want to work but

The study said the adjusted rate of unemployment could not be cal-

— whose economic cycle lags those

1 17A April

1993	1994	1995	
Exchange	Index	Monday Close	Prev Close % Change
Amsterdam	AEX	429.75	428.52 +0.29
Brussels	Stock Index	7,655.97	7,685.49 -0.38
Frankfurt	DAX	2,080.01	2,075.61 +0.21
Frankfurt	FAZ	789.75	796.41 -1.08
Helsinki	HEX	1,845.02	1,855.90 -0.59
London	Financial Times 30	2,671.40	2,668.50 +0.11
London	FTSE 100	3,481.40	3,484.20 -0.08
Madrid	General Index	339.30	340.65 -0.40
Milan	MIB	989.00	983.00 +0.61
Paris	CAC 40	2,274.49	2,243.97 +1.36
Stockholm	Alfastra Vaerden	1,770.09	1,772.14 -0.12
Vienna	Stock Index	496.84	500.32 -0.70
Zurich	SBS	1,051.81	1,051.12 +0.07

Source: Reuters AFP International Headlines

• Credit Suisse and its Swiss Volksbank unit have merged all of their investment-fund activities into a new company called **Credit International Fund Holding**. (Bloomberg, AFP, AFX, Knight-Ridder)

## References

committee, said: "Looking further first time since 1989."

**Monday's Prices**  
NASDAQ prices as of 4 p.m. New York time.  
This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

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[illegible][illegible][illegible]

Symbol	Open	High	Low	Close	Volume	Symbol	Open	High	Low	Close	Volume
AA	1.25	1.25	1.25	1.25	100	AA	1.25	1.25	1.25	1.25	100
AB	1.25	1.25	1.25	1.25	100	AB	1.25	1.25	1.25	1.25	100
AC	1.25	1.25	1.25	1.25	100	AC	1.25	1.25	1.25	1.25	100
AD	1.25	1.25	1.25	1.25	100	AD	1.25	1.25	1.25	1.25	100
AE	1.25	1.25	1.25	1.25	100	AE	1.25	1.25	1.25	1.25	100
AF	1.25	1.25	1.25	1.25	100	AF	1.25	1.25	1.25	1.25	100
AG	1.25	1.25	1.25	1.25	100	AG	1.25	1.25	1.25	1.25	100
AH	1.25	1.25	1.25	1.25	100	AH	1.25	1.25	1.25	1.25	100
AI	1.25	1.25	1.25	1.25	100	AI	1.25	1.25	1.25	1.25	100
AJ	1.25	1.25	1.25	1.25	100	AJ	1.25	1.25	1.25	1.25	100
AK	1.25	1.25	1.25	1.25	100	AK	1.25	1.25	1.25	1.25	100
AL	1.25	1.25	1.25	1.25	100	AL	1.25	1.25	1.25	1.25	100
AM	1.25	1.25	1.25	1.25	100	AM	1.25	1.25	1.25	1.25	100
AN	1.25	1.25	1.25	1.25	100	AN	1.25	1.25	1.25	1.25	100
AO	1.25	1.25	1.25	1.25	100	AO	1.25	1.25	1.25	1.25	100
AP	1.25	1.25	1.25	1.25	100	AP	1.25	1.25	1.25	1.25	100
AQ	1.25	1.25	1.25	1.25	100	AQ	1.25	1.25	1.25	1.25	100
AR	1.25	1.25	1.25	1.25	100	AR	1.25	1.25	1.25	1.25	100
AS	1.25	1.25	1.25	1.25	100	AS	1.25	1.25	1.25	1.25	100
AT	1.25	1.25	1.25	1.25	100	AT	1.25	1.25	1.25	1.25	100
AV	1.25	1.25	1.25	1.25	100	AV	1.25	1.25	1.25	1.25	100
AW	1.25	1.25	1.25	1.25	100	AW	1.25	1.25	1.25	1.25	100
AX	1.25	1.25	1.25	1.25	100	AX	1.25	1.25	1.25	1.25	100
AY	1.25	1.25	1.25	1.25	100	AY	1.25	1.25	1.25	1.25	100
AZ	1.25	1.25	1.25	1.25	100	AZ	1.25	1.25	1.25	1.25	100
BA	1.25	1.25	1.25	1.25	100	BA	1.25	1.25	1.25	1.25	100
BB	1.25	1.25	1.25	1.25	100	BB	1.25	1.25	1.25	1.25	100
BC	1.25	1.25	1.25	1.25	100	BC	1.25	1.25	1.25	1.25	100
BD	1.25	1.25	1.25	1.25	100	BD	1.25	1.25	1.25	1.25	100
BE	1.25	1.25	1.25	1.25	100	BE	1.25	1.25	1.25	1.25	100
BF	1.25	1.25	1.25	1.25	100	BF	1.25	1.25	1.25	1.25	100
BG	1.25	1.25	1.25	1.25	100	BG	1.25	1.25	1.25	1.25	100
BH	1.25	1.25	1.25	1.25	100	BH	1.25	1.25	1.25	1.25	100
BI	1.25	1.25	1.25	1.25	100	BI	1.25	1.25	1.25	1.25	100
BJ	1.25	1.25	1.25	1.25	100	BJ	1.25	1.25	1.25	1.25	100
BK	1.25	1.25	1.25	1.25	100	BK	1.25	1.25	1.25	1.25	100
BL	1.25	1.25	1.25	1.25	100	BL	1.25	1.25	1.25	1.25	100
BM	1.25	1.25	1.25	1.25	100	BM	1.25	1.25	1.25	1.25	100
BN	1.25	1.25	1.25	1.25	100	BN	1.25	1.25	1.25	1.25	100
BO	1.25	1.25	1.25	1.25	100	BO	1.25	1.25	1.25	1.25	100
BP	1.25	1.25	1.25	1.25	100	BP	1.25	1.25	1.25	1.25	100
BQ	1.25	1.25	1.25	1.25	100	BQ	1.25	1.25	1.25	1.25	100
BR	1.25	1.25	1.25	1.25	100	BR	1.25	1.25	1.25	1.25	100
BS	1.25	1.25	1.25	1.25	100	BS	1.25	1.25	1.25	1.25	100
BT	1.25	1.25	1.25	1.25	100	BT	1.25	1.25	1.25	1.25	100
BU	1.25	1.25	1.25	1.25	100	BU	1.25	1.25	1.25	1.25	100
BV	1.25	1.25	1.25	1.25	100	BV	1.25	1.25	1.25	1.25	100
BW	1.25	1.25	1.25	1.25	100	BW	1.25	1.25	1.25	1.25	100
BX	1.25	1.25	1.25	1.25	100	BX	1.25	1.25	1.25	1.25	100
BY	1.25	1.25	1.25	1.25	100	BY	1.25	1.25	1.25	1.25	100
BZ	1.25	1.25	1.25	1.25	100	BZ	1.25	1.25	1.25	1.25	100
CA	1.25	1.25	1.25	1.25	100	CA	1.25	1.25	1.25	1.25	100
CB	1.25	1.25	1.25	1.25	100	CB	1.25	1.25	1.25	1.25	100
CC	1.25	1.25	1.25	1.25	100	CC	1.25	1.25	1.25	1.25	100
CD	1.25	1.25	1.25	1.25	100	CD	1.25	1.25	1.25	1.25	100
CE	1.25	1.25	1.25	1.25	100	CE	1.25	1.25	1.25	1.25	100
CF	1.25	1.25	1.25	1.25	100	CF	1.25	1.25	1.25	1.25	100
CG	1.25	1.25	1.25	1.25	100	CG	1.25	1.25	1.25	1.25	100
CH	1.25	1.25	1.25	1.25	100	CH	1.25	1.25	1.25	1.25	100
CI	1.25	1.25	1.25	1.25	100	CI	1.25	1.25	1.25	1.25	100
CJ	1.25	1.25	1.25	1.25	100	CJ	1.25	1.25	1.25	1.25	100
CK	1.25	1.25	1.25	1.25	100	CK	1.25	1.25	1.25	1.25	100
CL	1.25	1.25	1.25	1.25	100	CL	1.25	1.25	1.25	1.25	100
CM	1.25	1.25	1.25	1.25	100	CM	1.25	1.25	1.25	1.25	100
CN	1.25	1.25	1.25	1.25	100	CN	1.25	1.25	1.25	1.25	100
CO	1.25	1.25	1.25	1.25	100	CO	1.25	1.25	1.25	1.25	100
CP	1.25	1.25	1.25	1.25	100	CP	1.25	1.25	1.25	1.25	100
CQ	1.25	1.25	1.25	1.25	100	CQ	1.25	1.25	1.25	1.25	100
CR	1.25	1.25	1.25	1.25	100	CR	1.25	1.25	1.25	1.25	100
CS	1.25	1.25	1.25	1.25	100	CS	1.25	1.25	1.25	1.25	100
CT	1.25	1.25	1.25	1.25	100	CT	1.25	1.25	1.25	1.25	100
CU	1.25	1.25	1.25	1.25	100	CU	1.25	1.25	1.25	1.25	100
CV	1.25	1.25	1.25	1.25	100	CV	1.25	1.25	1.25	1.25	100
CW	1.25	1.25	1.25	1.25	100	CW	1.25	1.25	1.25	1.25	100
CX	1.25	1.25	1.25	1.25	100	CX	1.25	1.25	1.25	1.25	100
CY	1.25	1.25	1.25	1.25	100	CY	1.25	1.25	1.25	1.25	100
CZ	1.25	1.25	1.25	1.25	100	CZ	1.25	1.25	1.25	1.25	100
DA	1.25	1.25	1.25	1.25	100	DA	1.25	1.25	1.25	1.25	100
DB	1.25	1.25	1.25	1.25	100	DB	1.25	1.25	1.25	1.25	100
DC	1.25	1.25	1.25	1.25	100	DC	1.25	1.25	1.25	1.25	100
DD	1.25	1.25	1.25	1.25	100	DD	1.25	1.25	1.25	1.25	100
DE	1.25	1.25	1.25	1.25	100	DE	1.25	1.25	1.25	1.25	100
DF	1.25	1.25	1.25	1.25	100	DF	1.25	1.25	1.25	1.25	100
DG	1.25	1.25	1.25	1.25	100	DG	1.25	1.25	1.25	1.25	100
DH	1.25	1.25	1.25	1.25	100	DH	1.25	1.25	1.25	1.25	100
DI	1.25	1.25	1.25	1.25	100	DI	1.25	1.25	1.25	1.25	100
DJ	1.25	1.25	1.25	1.25	100	DJ	1.25	1.25	1.25	1.25	100
DK	1.25	1.25	1.25	1.25	100	DK	1.25	1.25	1.25	1.25	100
DL	1.25	1.25	1.25	1.25	100	DL	1.25	1.25	1.25	1.25	100
DM	1.25	1.25	1.25	1.25	100	DM	1.25	1.25	1.25	1.25	100
DN	1.25	1.25	1.25	1.25	100	DN	1.25	1.25	1.25	1.25	100
DO	1.25	1.25	1.25	1.25	100	DO	1.25	1.25	1.25	1.25	100
DP	1.25	1.25	1.25	1.25	100	DP	1.25	1.25	1.25	1.25	100
DQ	1.25	1.25	1.25	1.25	100	DQ	1.25	1.25	1.25	1.25	100
DR	1.25	1.25	1.25	1.25	100	DR	1.25	1.25	1.25	1.25	100
DS	1.25	1.25	1.25	1.25	100	DS	1.25	1.25	1.25	1.25	100
DT	1.25	1.25	1.25	1.25	100	DT	1.25	1.25	1.25	1.25	100
DU	1.25	1.25	1.25	1.25	100	DU	1.25	1.25	1.25	1.25	100
DV	1.25	1.25	1.25	1.25	100	DV	1.25	1.25	1.25	1.25	100
DW	1.25	1.25	1.25	1.25	100	DW	1.25	1.25	1.25	1.25	100
DX	1.25	1.25	1.25	1.25	100	DX	1.25	1.25	1.25	1.25	100
DY	1.25	1.25	1.25	1.25	100	DY	1.25	1.25	1.25	1.25	100
DZ	1.25	1.25	1.25	1.25	100	DZ	1.25	1.25	1.25	1.25	100
EA	1.25	1.25	1.25	1.25	100	EA	1.25	1.25	1.25	1.25	100
EB	1.25	1.25	1.25	1.25	100	EB	1.25	1.25	1.25	1.25	100
EC	1.25	1.25	1.25	1.25	100	EC	1.25	1.25	1.25	1.25	100
ED	1.25	1.25	1.25	1.25	100	ED	1.25	1.25	1.25	1.25	100
EE	1.25	1.25	1.25	1.25	100	EE	1.25	1.25	1.25	1.25	100
EF	1.25	1.25	1.25	1.25	100	EF	1.25	1.25	1.25	1.25	100
EG	1.25	1.25	1.25	1.25	100	EG	1.25	1.25	1.25	1.25	100
EH	1.25	1.25	1.25	1.25	100	EH	1.25	1.25	1.25	1.25	100
EI	1.25	1.25	1.25	1.25	100	EI	1.25	1.25	1.25	1.25	100
EJ	1.25	1.25	1.25	1.25	100	EJ	1.25	1.25	1.25	1.25	100
EK	1.25	1.25	1.25	1.25	100	EK	1.25	1.25	1.25	1.25	100
EL	1.25	1.25	1.25	1.25	100	EL	1.25	1.25	1.25	1.25	100
EM	1.25	1.25	1.25	1.25	100	EM	1.25	1.25	1.25	1.25	100
EN	1.25	1.25	1.25	1.25	100	EN	1.25	1.25	1.25	1.25	100
EO	1.25	1.25	1.25	1.25	100	EO	1.25	1.25	1.25	1.25	100
EP	1.25	1.25	1.25								

時間	緯度	經度	高度	方位	距離	速度	方向	備考
0100	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
0200	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
0300	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
0400	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
0500	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
0600	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
0700	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
0800	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
0900	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
1000	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
1100	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
1200	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
1300	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
1400	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
1500	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
1600	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
1700	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
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1900	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
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2100	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
2200	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
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2400	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
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3200	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
3300	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
3400	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
3500	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
3600	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
3700	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
3800	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
3900	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
4000	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	
4100	34° 12' N	122° 05' E	10.0	090°	1.0	1.0	090°	

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## ASIA/PACIFIC

# Speculators, Under Pressure, Dump Ringgit

**Bloomberg Business News**  
KUALA LUMPUR — The ringgit fell Monday to its lowest level against the U.S. dollar for more than two years after the central bank escalated its campaign to punish speculators who had bet the Malaysian currency would strengthen.

In spot trading, the dollar rose 2.39 Malaysian cents, to 2.7640 ringgit, after trading as high as 2.77 during the day. It was the highest close since 2.7690 on Sept. 9, 1991.

Dealers said offshore speculators were dumping ringgit, losing tens of millions of dollars in the process, because Bank Negara was making it hard for them to operate.

Bank Negara, the central bank, has taken a series of actions to quell speculative inflows that it believes are causing the money supply to grow too fast. Excess liquidity was depressing short-term interest rates and raising fears of inflation, economists said.

In its latest move, the central bank on Saturday barred residents from selling short-term monetary instruments to nonresidents.

At the same time, Bank Negara said it was requiring commercial banks to keep funds from foreign institutions held in noninterest-bearing accounts on deposit with the central bank.

Commercial banks will be free to draw on these funds for withdrawals for customers, but cannot use the deposits to back loans. One banker said foreigners will probably face new carrying charges for such accounts — adding to the costs of anyone trading for short-term gains.

"Bank Negara is trying to make sure the short-term money is not disturbing monetary policy," said Ghazali Atan, an economist at ST Securities who is a former official at the Economic Planning Unit of the Prime Minister's office.

"They have managed to find ways to separate the short-term money from the longer-term capital which is desired," he said.

One foreign-exchange dealer said he believed the new policies would chase away short-term currency speculators, but added it could take time for them to sell all their ringgit. That means the Malaysian currency's fall could continue, dealers said.

A bank executive said Bank Negara could maintain the dollar as high as 2.85 ringgit for months. As for the stock market, Wong Yee Kiu, research manager at J.M. Sasoon, said he believed long-term investors would be impressed by Bank Negara's commitment to keeping inflation below 4 percent.

## Pending: New Patent Law

### U.S. Offers Time Concession to Japan

By Andrew Pollack  
New York Times Service

TOKYO — The United States has agreed to change its patent law to prevent patent holders from seeking royalties long after they first made their inventions.

In an agreement with Japan that was signed in Tokyo on Thursday with little fanfare, the United States said it would adopt a system in which patents, once granted, would be valid until 20 years after the date on which they were filed. Currently, American patents are valid for 17 years from the date they are granted.

Occasionally, patents take a decade or two to be granted because they are held up in appeals and amendments. When this happens under the existing system, an inventor can obtain a 17-year monopoly on an invention made long ago and demand payments from companies that have long been using the technology on the assumption it was not protected by patents.

Because these patents remain hidden for a long time and suddenly surface, they have been called submarine patents.

One example was that of Gilbert Hyatt, a California inventor who was granted a patent in 1990 for a computer on a chip, the key component of personal computers and many other devices.

Mr. Hyatt had filed for the patent 20 years earlier. While his application waited its way through the Patent Office, a huge industry producing microprocessor chips and personal computers and consumer electronics devices grew up based on similar technology. But companies in this industry said they never

**Japanese firms have been angered by what they see as frivolous royalty demands by U.S. inventors.**

heard of Mr. Hyatt nor relied on his invention.

Yes Mr. Hyatt has tried to demand, with mixed success, millions of dollars from a broad range of electronics companies. Had the terms of the patent protected him only for the 20 years from the date of filing, Mr. Hyatt would not have been able to collect any royalties by the time his patent was granted.

Japanese companies have been angered by what they see as

frivolous royalty demands by American companies and inventors with submarine patents. In Japan, patents are valid for 20 years from the date of filing.

The agreement to change the American law was signed by Bruce Lehman, commissioner of the U.S. Patent and Trademark Office, and Wataru Aso, Japan's patent commissioner. Any change in patent law must be approved by Congress.

In exchange, Japan agreed to accept patent applications filed in English, provided that a Japanese translation follows in a reasonable period of time. American officials said this change would help foreign companies win patents in Japan, which awards patents to the first party to file for one on a particular invention, rather than the first person to invent it.

Since the Japanese system puts a premium on filing patent applications quickly, having to translate them into Japanese first can be an impediment. In addition, one American official said, there have been cases where patents have been denied because mistakes in translations made the application incorrect. Under the new agreement, Japan will allow family translations to be corrected.

## Acer Aims To List 20 Subsidiaries

Bloomberg Business News

TAIPEI — Acer Inc., one of the world's largest computer makers, plans to list 20 subsidiaries on stock exchanges around the world by the year 2000, its chairman said Monday.

Acer, whose sales rose about 58 percent, to \$1.9 billion, last year, currently has only the parent company listed. Acer Inc., which manufactures notebook computers, is traded on the Taiwan Stock Exchange.

"In order to welcome the 21st century," Acer expects to have at least 20 companies listed, said Stan Shih, the chairman.

Among its approximately 50 overseas units, one of the first it hopes to list is Acer America Corp., its U.S. subsidiary, said Philip Peng, vice president of Acer Inc.

"The New York Stock Exchange will be the first priority," he said. Underlying the plan is a strategy of transferring ownership and management to local investors, tapping overseas capital, reducing risk and better responding to market trends, Mr. Peng said.

"It's very good news," said Michael Hung, an electronics industry analyst with Jardine Fleming Taiwan Securities. "They've discussed disintegration of the company before, but nothing like this. It will make the subsidiaries more responsible for profits and losses."

## Investor's Asia

Exchange	Index	Monday Close	Prev. Close	% Change
Hong Kong Hang Seng	11,800.00	11,800.00	11,800.00	+1.23
Singapore Straits Times	2,318.27	2,318.27	2,318.27	+1.80
Sydney All Ordinaries	2,224.50	2,224.50	2,224.50	-1.15
Tokyo Nikkei 225	18,353.24	18,353.24	18,353.24	-4.94
Kuala Lumpur Composite	1,064.55	1,064.55	1,064.55	+0.07
Bangkok SET	1,461.50	1,461.50	1,461.50	+3.77
Seoul Composite Stock	887.96	887.96	887.96	+1.16
Taipei Weighted Price	5,957.88	5,957.88	5,957.88	-0.20
Manila Composite	3,112.51	3,112.51	3,112.51	+0.19
Jakarta Stock Index	588.05	588.05	588.05	-0.37
New Zealand NZSE-40	2,272.14	2,272.14	2,272.14	-0.34
Bombay National Index	1,829.80	1,829.80	1,829.80	+1.56

Sources: Reuters, AFP

## Very briefly:

• Taiwan's National Science Council said four foreign groups had bid to supply Taiwan's first satellite, to be launched late in 1997; the bidders are TRW Inc., Space Systems/Loral, Matra Marconi, and a group comprising Israel Aircraft Industries, Dornier Gmbh and Alcatel Alsthom SA.

• Japan's carmakers are likely to make fewer vehicles than U.S. carmakers in 1994, Nankaku Research Institute forecast.

• PT Sumalindo Lestari Jaya, an Indonesian wood processor whose major shareholders are PT Barito Pacific Timber and PT Astra International, said it would go public by offering 25 million shares, or 20 percent of its paid-up capital, to raise about 200 billion rupiah (\$95.3 million).

• Sarawak's state government, moving to privatize Sarawak Electricity Supply Corp., will pay 1.49 billion ringgit (\$596 million) for a 55 percent stake in Dunlop Estates Bhd., a unit of Multi-Purpose Holdings Bhd., and transfer to it a 45 percent holding in the power company.

Reuters, AFP

## COMPANY RESULTS

Revenue and profits or losses, in millions, are in local currencies unless otherwise indicated.

Company	1993 Revenue	1993 Profit	1992 Revenue	1992 Profit
<b>United States</b>				
<b>Amgen</b>				
4th Qtr.	1,000	100	950	90
Year	3,800	380	3,500	350
1993 net income of \$24 million in full year.				
<b>Corning</b>				
4th Qtr.	1,000	100	950	90
Year	3,800	380	3,500	350
1993 net income of \$24 million in full year.				
<b>Lyondell Petrochem</b>				
4th Qtr.	1,000	100	950	90
Year	3,800	380	3,500	350
1993 net income of \$24 million in full year.				
<b>Ashtland Oil</b>				
4th Qtr.	1,000	100	950	90
Year	3,800	380	3,500	350
1993 net income of \$24 million in full year.				
<b>Boeing</b>				
4th Qtr.	1,000	100	950	90
Year	3,800	380	3,500	350
1993 net income of \$24 million in full year.				
<b>Clorox</b>				
4th Qtr.	1,000	100	950	90
Year	3,800	380	3,500	350
1993 net income of \$24 million in full year.				

Company	1993 Revenue	1993 Profit	1992 Revenue	1992 Profit
<b>PaineWebber Group</b>				
4th Qtr.	1,000	100	950	90
Year	3,800	380	3,500	350
1993 net income of \$24 million in full year.				
<b>Southwestern Bell</b>				
4th Qtr.	1,000	100	950	90
Year	3,800	380	3,500	350
1993 net income of \$24 million in full year.				
<b>Travellers</b>				
4th Qtr.	1,000	100	950	90
Year	3,800	380	3,500	350
1993 net income of \$24 million in full year.				
<b>US West</b>				
4th Qtr.	1,000	100	950	90
Year	3,800	380	3,500	350
1993 net income of \$24 million in full year.				

Company	1993 Revenue	1993 Profit	1992 Revenue	1992 Profit
<b>Union Camp</b>				
4th Qtr.	1,000	100	950	90
Year	3,800	380	3,500	350
1993 net income of \$24 million in full year.				
<b>Westhouse Electric</b>				
4th Qtr.	1,000	100	950	90
Year	3,800	380	3,500	350
1993 net income of \$24 million in full year.				
<b>Willamette Ind.</b>				
4th Qtr.	1,000	100	950	90
Year	3,800	380	3,500	350
1993 net income of \$24 million in full year.				

## Philips Leads Assault On Chinese Beards

Reuters

BEIJING — When Chinese men stare into their bathroom mirrors, they have an array of choices on how their whiskers will meet their end: by Rhinoceros, Flying Eagle, Golden Deer, or a foreign sword?

The chances are growing they will reach for a foreign shaver by Philips Electronics NV, and plug it in instead of lathering up.

Philips, along with other foreign makers such as Gillette Co. and its German subsidiary Braun AG, and Sanyo Electric Co. Ltd., Hitachi Ltd. and Matsushita Ltd., are beginning to make inroads in the battle against China's whiskers.

They are among the first foreign consumer products aside from food and drink to gain broad acceptance in China, a signal for other producers that the dream of an open market of 1.2 billion people may one day become a reality.

The foreign brand names have been promoted with slick advertising and fancy packaging.

In electric shavers, foreign makers retain a comfortable design and technology edge over domestic rivals, industry analysts said.

China imported 33,142 electric shavers from January to November last year, an increase of 283 percent over the same 1992 period, according to customs figures.

While China does not have figures for the overall foreign-brand share of the market, Philips' shaver electric razor was the top import, accounting for 16 percent of foreign-brand sales in China.

"Most Chinese use hand razors because they are so cheap," said a sales lady at the shaving counter of

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## REPUBLIC NATIONAL BANK OF NEW YORK

A SUBSIDIARY OF REPUBLIC NEW YORK CORPORATION  
Consolidated Statements of Condition

Assets	December 31, 1993	December 31, 1992	Liabilities and Stockholder's Equity	December 31, 1993	December 31, 1992
Cash and due from banks	\$ 591,112	\$ 433,284	Noninterest-bearing deposits:		
Interest-bearing deposits with banks	5,174,561	10,346,583	In domestic offices	\$ 1,069,325	\$ 962,600
Precious metals	1,102,654	412,105	In foreign offices	146,431	80,262
Securities held to maturity	902,903	9,529,834	Interest-bearing deposits:		
Securities available for sale	9,857,210	320,113	In domestic offices	4,255,497	4,276,544
Total investment securities	10,760,113	9,849,947	In foreign offices	13,694,638	12,480,779
Trading account assets	1,138,760	637,597	Total deposits	19,165,881	17,800,185
Federal funds sold and securities purchased under resale agreements	2,743,692	1,355,274	Short-term borrowings	2,870,290	4,897,401
Loans, net of unearned income	5,425,719	3,959,358	Acceptances outstanding	1,137,636	1,616,964
Allowance for possible loan losses	(233,124)	(175,990)	Accounts payable and accrued expenses	1,321,915	968,580
Loans (net)	5,192,595	3,783,368	Other liabilities	152,648	100,872
Customers' liability on deposits	1,134,294	1,611,531	Long-term debt	2,257,847	2,002,497
Premises and equipment	300,246	298,451	Subordinated long-term debt, primarily with parent	580,940	581,174
Accounts receivable and accrued interest	634,213	444,104	Stockholder's Equity:		
Investment in affiliate	625,333	553,315	Common stock, \$100 par value:		
Other assets	328,455	148,493	4,800,000 shares authorized:		
Total assets	\$29,726,038	\$29,874,032	3,550,000 shares outstanding	355,000	355,000
			Surplus	1,160,436	1,160,881
			Retained earnings	511,851	390,918
			Net unrealized gain on securities available for sale, net of taxes	211,584	-
			Total stockholder's equity	2,238,871	1,906,579
			Total liabilities and stockholder's equity	\$29,726,038	\$29,874,032

The portion of the investment in precious metals not hedged by forward sales was \$24.3 million and \$14.3 million in 1993 and 1992, respectively.

REPUBLIC NEW YORK CORPORATION	Twelve Months Ended December 31, 1993	Twelve Months Ended December 31, 1992	Three Months Ended December 31, 1993	Three Months Ended December 31, 1992
Summary of Results (in thousands except per share data)				
Net income	\$ 301,205	\$ 258,883	\$ 79,927	\$ 66,828
Cash dividends declared on common stock	\$ 56,748	\$ 52,256	\$ 14,230	\$ 13,087
Per common share				
Net income:				
Primary	\$ 5.20	\$ 4.42	\$ 1.38	\$ 1.14
Fully diluted	\$ 5.05	\$ 4.32	\$ 1.34	\$ 1.11
Cash dividends declared	\$ 1.08	\$ 1.00	\$ .27	\$ .25
Average common shares outstanding:				
Primary	52,465	52,204	52,690	52,346
Fully diluted	56,321	56,020	56,525	56,181

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# AMEX

**Monday's Closing**  
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

12 Month	High	Low	Stock	Div	Yld	PE	100s	High	Low	Stock	Div	Yld	PE	100s
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Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the total trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the year's high-low range only divided are shown for the new stock only. Unless otherwise noted, rates of dividends are annual distributions based on the latest declaration.  
 a - dividend rate  
 b - dividend rate plus stock dividend  
 c - non-cumulative dividend  
 d - new yearly low  
 e - dividend declared or paid in preceding 12 months  
 f - dividend in Canadian funds, subject to 15% non-residence tax  
 g - dividend declared after split-up or stock dividend  
 h - dividend paid this year, limited, deferred, or no action taken on total dividend meeting  
 i - dividend declared or paid this year, an accumulative issue with dividends in arrears  
 j - new issue in the past 26 weeks. The high-low range begins at the start of trading  
 k - next day delivery  
 l - stock split  
 m - dividend declared or paid in preceding 12 months, plus stock dividend  
 n - stock split. Dividend begins with date of split  
 o - sales  
 p - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date  
 q - new yearly high  
 r - trading halted  
 s - in bankruptcy or reorganizable or being reorganized under the Bankruptcy Act, or securities assumed by such court order  
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 x - with warrants  
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**5.9 FEBRUARY 94**  
La Grande Halle de la Vil



## SPORTS

## Cowboys Pound 49ers for NFC Title Despite Aikman Injury

By Mike Freeman

New York Times Service

IRVING, Texas — About the only bad news for the Dallas Cowboys came when the knee of Dennis Brown, a defensive end for the San Francisco 49ers, snapped in the third quarter.

A woody Aikman had to leave the game, and was replaced by Bernie Kosar. But by then it was 28-7, and the decisive blow had already been delivered by the Cowboys.

A 28-point first-half drubbing probably left the 49ers feeling worse than Aikman, since it is the Cowboys who will be playing in the Super Bowl while the 49ers will be watching it on television.

Although the 49ers put up a fight in the second half of the National Football Conference title game Sunday, the Dallas offense was simply too much for a young and battered defense.

Coach Jimmy Johnson, who had guaranteed a victory for his Cowboys, was right, after all.

By hammering the team of the 1980s, 38-21, Dallas earned a return trip to the Super Bowl next Sunday, where the Cowboys will face the Buffalo Bills, and make a bid for being the team of the 1990s.

Last year, Dallas blew out Buffalo, 52-17, giving the Bills their third consecutive Super Bowl loss. The San Francisco 49ers, 14-2.

First Quarter  
Dallas 7, San Francisco 0.  
Dallas 14, San Francisco 0.  
Dallas 21, San Francisco 0.  
Dallas 28, San Francisco 7.  
Dallas 35, San Francisco 14.  
Dallas 42, San Francisco 21.  
Dallas 49, San Francisco 28.  
Dallas 56, San Francisco 35.  
Dallas 63, San Francisco 42.  
Dallas 70, San Francisco 49.  
Dallas 77, San Francisco 56.  
Dallas 84, San Francisco 63.  
Dallas 91, San Francisco 70.  
Dallas 98, San Francisco 77.  
Dallas 105, San Francisco 84.  
Dallas 112, San Francisco 91.  
Dallas 119, San Francisco 98.  
Dallas 126, San Francisco 105.  
Dallas 133, San Francisco 112.  
Dallas 140, San Francisco 119.  
Dallas 147, San Francisco 126.  
Dallas 154, San Francisco 133.  
Dallas 161, San Francisco 140.  
Dallas 168, San Francisco 147.  
Dallas 175, San Francisco 154.  
Dallas 182, San Francisco 161.  
Dallas 189, San Francisco 168.  
Dallas 196, San Francisco 175.  
Dallas 203, San Francisco 182.  
Dallas 210, San Francisco 189.  
Dallas 217, San Francisco 196.  
Dallas 224, San Francisco 203.  
Dallas 231, San Francisco 210.  
Dallas 238, San Francisco 217.  
Dallas 245, San Francisco 224.  
Dallas 252, San Francisco 231.  
Dallas 259, San Francisco 238.  
Dallas 266, San Francisco 245.  
Dallas 273, San Francisco 252.  
Dallas 280, San Francisco 259.  
Dallas 287, San Francisco 266.  
Dallas 294, San Francisco 273.  
Dallas 301, San Francisco 280.  
Dallas 308, San Francisco 287.  
Dallas 315, San Francisco 294.  
Dallas 322, San Francisco 301.  
Dallas 329, San Francisco 308.  
Dallas 336, San Francisco 315.  
Dallas 343, San Francisco 322.  
Dallas 350, San Francisco 329.  
Dallas 357, San Francisco 336.  
Dallas 364, San Francisco 343.  
Dallas 371, San Francisco 350.  
Dallas 378, San Francisco 357.  
Dallas 385, San Francisco 364.  
Dallas 392, San Francisco 371.  
Dallas 399, San Francisco 378.  
Dallas 406, San Francisco 385.  
Dallas 413, San Francisco 392.  
Dallas 420, San Francisco 399.  
Dallas 427, San Francisco 406.  
Dallas 434, San Francisco 413.  
Dallas 441, San Francisco 420.  
Dallas 448, San Francisco 427.  
Dallas 455, San Francisco 434.  
Dallas 462, San Francisco 441.  
Dallas 469, San Francisco 448.  
Dallas 476, San Francisco 455.  
Dallas 483, San Francisco 462.  
Dallas 490, San Francisco 469.  
Dallas 497, San Francisco 476.  
Dallas 504, San Francisco 483.  
Dallas 511, San Francisco 490.  
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Dallas 525, San Francisco 504.  
Dallas 532, San Francisco 511.  
Dallas 539, San Francisco 518.  
Dallas 546, San Francisco 525.  
Dallas 553, San Francisco 532.  
Dallas 560, San Francisco 539.  
Dallas 567, San Francisco 546.  
Dallas 574, San Francisco 553.  
Dallas 581, San Francisco 560.  
Dallas 588, San Francisco 567.  
Dallas 595, San Francisco 574.  
Dallas 602, San Francisco 581.  
Dallas 609, San Francisco 588.  
Dallas 616, San Francisco 595.  
Dallas 623, San Francisco 602.  
Dallas 630, San Francisco 609.  
Dallas 637, San Francisco 616.  
Dallas 644, San Francisco 623.  
Dallas 651, San Francisco 630.  
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Dallas







## *The Eternal Butler*

	Today			Tomorrow		
	High C/F	Low C/F	W	High C/F	Low C/F	W
Alameda	10/50	8/45	-	10/48	11/52	-

## WEAT

## Sexual Harassment, the Cliff-Hanger

That Crichton knows how to make money on books is not in question. Nearly a million copies of "Disclosure" are flooding bookstores in the United States.

But women involved in combating harassment have fundamental disagreements with Crichton's spectrum. Very few of the charges that women bring concern a tasteless remark or some other form of border-

**Michael Crichton sees his novel "as a contribution to solving the problem."**

tors and managers at a far better 42 percent. "And it isn't only at the highest levels

equally good, equally bad, equally stupid, equally smart. Which is why I'm an egalitarian feminist. So I would not expect to see a difference in abuse of power."

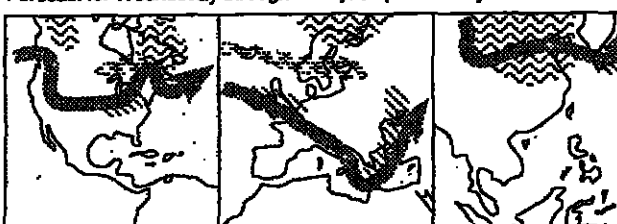
## Who's Taking Sides In GATT Culture Wars?

Princess Diana, who bowed out of public life last month, screamed in rage at a photographer who took pictures of her outside a tennis club, the Daily Mirror reported. Diana said in December that she was grow-

**CLASSIFIED**  
Appears on Pages 15 & 17

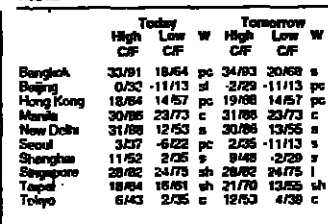
## WEATHER

Forecast for Wednesday through Friday, as provided by Accu-Weather.



Jetstream	Unseasonably Cold	Unseasonably Hot	Heavy Rain	Hot Spots
<h3>North America</h3> <p>Rain, ice and snow will be common through Chicago and Detroit Wednesday and last into Thursday. A cold front will sweep in from the northwest through Pittsburgh and Louisville, Ky. Snow will blanket the northern half of the country through Lakes at midweek. Phoenix and Los Angeles will be particularly dry.</p>	<h3>Europe</h3> <p>High winds this week will be the result of the British Isles to northern France, the Low Countries and northwestern Europe. A cold front will accompany the high winds. London and Paris will be windy and rainy much of the week with showers on occasion. A cold front will sweep in from the northwest on Wednesday, bringing heavy rain, possibly snow.</p>	<h3>Asia</h3> <p>Very cold air will sweep in from the east and last into this week. Shanghai will have mild weather Wednesday and Thursday. Seoul, Korea, Tokyo and Taipei will have dry weather Thursday and Friday. Hong Kong will have dry, sunny weather. The weather will be dry and clear through the week. The southern coast of Japan will have heavy rain through the week. The Philippines will have heavy rain through the week.</p>		

## Asia



Africa					
Algiers	15/59	11/52	pc	16/61	11/52 pc
Cape Town	27/80	18/64	s	25/82	18/64 s
Casablanca	15/86	7/84	s	21/70	10/30 s
Harare	22/71	9/68	pc	26/79	9/68 pc
Lagos	25/84	26/79	sh	30/86	24/76 sh
Nairobi	23/73	9/68	pc	27/80	12/53 s
Tunis	15/59	9/68	pc	17/62	6/63 pc
North America					
Anchorage	-16/25	-8/18	an	-3/27	-11/13 pc
Atlanta	-4/65	9/48	c	12/53	8/46 sh
Boston	0/32	-7/20	pc	1/34	-6/22 pc
Chicago	1/34	-3/27	sl	6/28	-2/29 c

- ACROSS**
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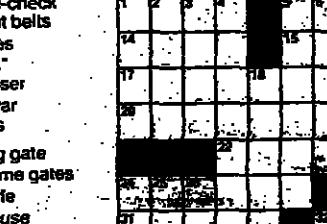
### Solution to Puzzle of Jan. 24

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FLYING	SASS	EDGE

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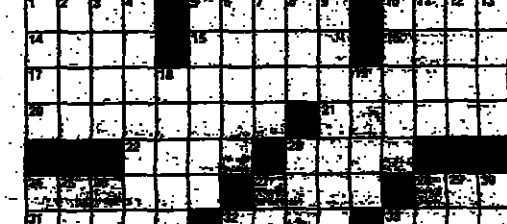
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[illegible]

44 "The Cluster and the Hearth" author  
45 Switch

## CROSSWORD

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57		58		59
Puzzle 59: 2008 December				
44 "The Closter and the Heart" author	45 Roofing Item	50 Geologists' times		
43 Switch	47 Chip In	51 Waffle		
	48 Interpret	52 Danier		
	49 "Gill"			

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**How to call around the world.**

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2. Dial the corresponding AKG® Access Number.
3. An AKG® English-speaking Operator or voice prompt will ask for the phone number you wish to call or connect you to a customer service representative.

To receive your free wallet card of AKG's Access Numbers, just dial the access number of the country you wish to call.

COUNTRY	ACCESS NUMBER	COUNTRY	ACCESS NUMBER	COUNTRY	ACCESS NUMBER
ASIA/PACIFIC					
Australia	0019-881-011	Bhutan**	004-80-01111	Chile	800-0-
China_PRC***	10811	Kiribati*	999-001	Colombia	989-11-010
Guam	018-872	Iceland	1-800-590-006	Costa Rica*	
Hong Kong	800-1111	Italy**	172-1017	Ecuador*	
India**	000-117	Liechtenstein*	155-00-13	El Salvador*	
Indonesia**	00-801-20	Lithuania**	Ra196	Guatemala*	
Japan*	0034-111	Luxembourg	0-840-0111	Seychelles**	
Korea	009-11	Mali*	0800-890-110	Honduras**	
Malaysia**	800-0011	Moscow*	194-0011	Mexico***	95-800-462-4
New Zealand	000-911	Netherlands*	06-022-9111	Nicaragua (Managua)	
Philippines**	105-13	Norway*	800-190-13	Panama	
Russia*(Moscow)	155-5042	Poland**	04010-480-0111	Peru*	
Saipan*	235-2872	Portugal*	05027-1-288	Suriname	
Singapore	800-0111-111	Romania*	01-800-4288	Uruguay	00-0-
St Lanka	430-430	Slovakia	00-00-00101	Venezuela**	80-011
Taiwan*	0080-103880	Spain	000-99-00-11	CARIBBEAN	
Thailand	0019-991-1111	Sweden*	028-795-611	Bahamas*	1-800-872-2
		Switzerland*	155-0-11	Bermuda*	1-800-872-2
		UK	0500-89-0011	British VEs*	1-800-872-2
EUROPE					
Armenia**	Ra14111	MIDDLE EAST			
Austria****	022-903-011	Bahrain	800-001	Cayman Islands	1-800-872-2
Belgium*	078-11-0010	Egypt* (Cairo)	010-510-290	Grenada*	1-800-872-2
Bulgaria	00-1800-0010	Israel	177-100-2777	Haiti*	001-800-872-2
Croatia**	99-38-0011	Kuwait	800-288	Jamaica**	0-800-872-2
Czech Rep	040-90010	Lebanon (Beirut)	436-801	Neth. Antil	008-800-872-2
Denmark*	8001-0010	Saudi Arabia	1-800-100	St. Kitts/Nevs	1-800-872-2
Finland*	9800-108-10	Turkey*	00-800-12277	AFRICA	
France	194-0011	AMERICAS			
Germany	0130-0010	Argentina**	001-800-200-1111	Ghana*	004-0-
Greece*	00-800-1311	Belize*	555	Gambia**	800-
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		Brazil	000-8010	Liberia	797-

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